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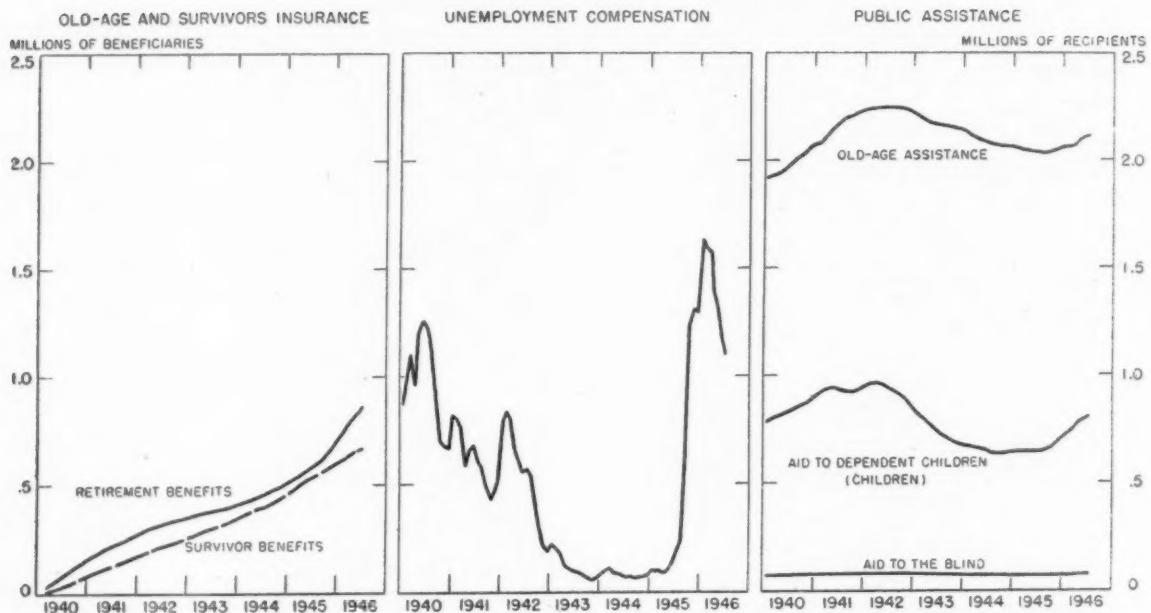
Social Security Act Amendments of 1946

*Effects of War-Risk Tax Provisions,
1943 and 1944*

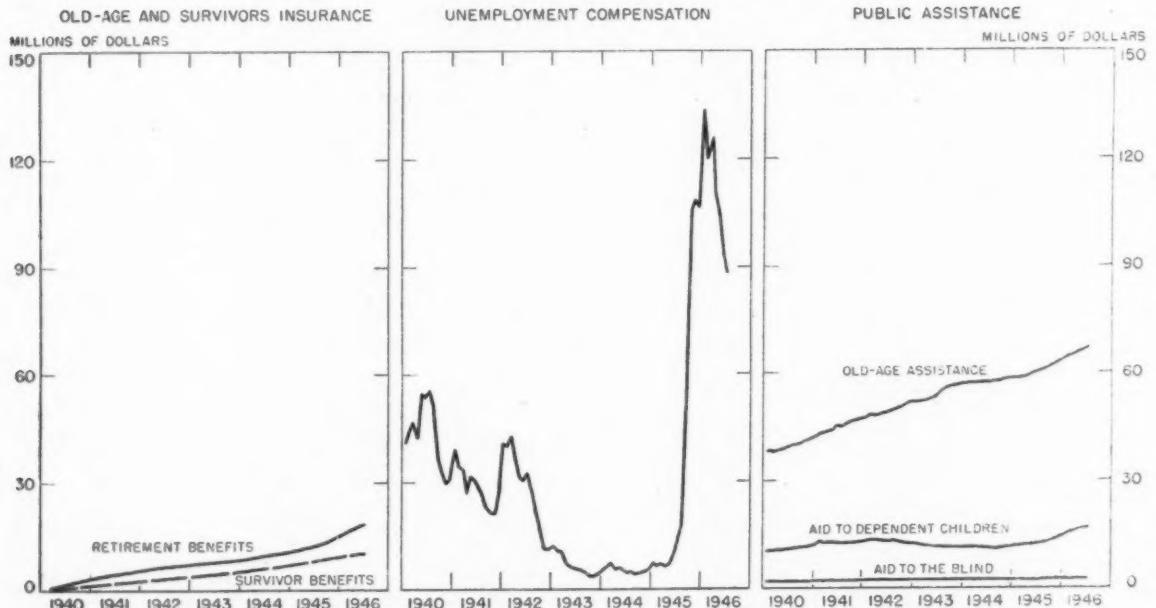
FEDERAL SECURITY AGENCY
SOCIAL SECURITY ADMINISTRATION
WASHINGTON, D. C.

*Social Security Operations**

INDIVIDUALS RECEIVING PAYMENTS



SOCIAL SECURITY PAYMENTS



* Old-age and survivors insurance, beneficiaries actually receiving monthly benefits (current-payment status) and amount of their benefits during month; unemployment compensation, average weekly number of beneficiaries for the month and gross benefits paid during the month under all State laws; public assistance, recipients and payments under all State programs.



Social Security Bulletin

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Social Security in Review

The Labor Force in August

The spectacular drop in the stock market in the second half of August and the continued uncertainty of prices did not appreciably affect the progress of industrial reconversion as reflected in rising employment and declining unemployment. Uncertainty of the future development in prices made consumers reluctant to buy certain durable goods at existing prices, which they expected to go down, while in other economic sectors producers were reluctant to move their products at the existing ceiling prices, which they regarded as too low. The hesitant attitude of buyers and sellers resulted in a rapid accumulation of inventories rather than curtailment of production. This process, however, has not reached the stage at which it would threaten mass lay-offs of workers. Moreover, replenishment of inventories in the course of reconversion was to be expected as prerequisite to a smooth distribution of commodities to consumers; it makes little difference in which phase of reconversion this replenishment is completed. If, after the necessary readjustment of prices, the flow of goods from producers to consumers is resumed on a scale which corresponds to the accumulated demand, the period of hesitation which characterized business in the summer of 1946 will hardly have an adverse effect on employment.

The outstanding feature of unemployment covered by State programs in August was the relative stability in the number of initial claims, combined with a clear downward trend in waiting-period and compensable claims. Initial-claims receipts, which

dropped by more than 25 percent in the 5-week period ending July 27, increased slightly (6 percent) in the 5 weeks ended August 31. During this latter period, the number of individuals filing continued claims dropped 16 percent. The weekly number of all types of claims was as follows:

Week ended	Initial claims	Waiting-period claims	Compensable claims
July 27	124,468	97,513	1,102,288
August 3	129,530	86,583	1,072,576
August 10	128,175	85,120	1,026,147
August 17	113,426	77,499	969,825
August 24	117,944	72,620	964,426
August 31	132,039	74,000	939,776

The comparatively steady course of initial claims seems to indicate that the number of separations in covered industries, which was declining gradually after the first impact of the reconversion, has reached a state of relative stability. Reconversion displacements seem to be over, and the number of initial claimants now corresponds to the normal labor turnover. The downward trend in waiting-period claims and the declining ratio of waiting-period to initial claims may indicate improving reemployment opportunities for newly separated workers.

The fact that compensable claims are declining more slowly than waiting-period claims suggests that re-

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Social Security Act Amendments of 1946

By Angela J. Murray*

DELIBERATIONS of the 79th Congress on changes in the Social Security Act culminated in the final days of the session in the passage of H. R. 7037, the Social Security Act Amendments of 1946, which became law (Public, No. 719) on August 10. The hearings of the House Ways and Means Committee during the early months of the year, and the subsequent debate on the changes proposed in the various social security programs, represent the first general consideration of such changes by Congress since the adoption of the Social Security Act Amendments of 1939.

In the interval, however, certain changes have been made in various provisions of the act. Among these, title VI relating to grants to States for public health,¹ and title V, part 4, relating to grants to States for vocational rehabilitation were deleted because of enactment of other legislation in these fields; title XII, temporarily authorizing advances to State unemployment funds, was added by the War Mobilization and Reconversion Act of 1944, the so-called George Bill.² In 1945, protection under the insurance programs was extended to certain employees of the Bonneville Power Administration. And for 1943 and each following year, the contribution rate under the Federal Insurance Contributions Act was held at 1 percent each for employers and employees instead of permitting an increase to the higher rates specified for these years in the original Social Security Act and again in the 1939 amendments.

In the Committee report issued in December 1944 (H. Rept. 2010, 78th Cong., 1st sess.) to accompany the bill freezing the rates for 1945, seven minority members outlined their reasons for objecting to the tax freeze and declared that they were opposed to the "piecemeal consideration of one aspect of social security legislation" and that they favored "a comprehensive study of the entire social security

program with a view toward broadening, expanding, and strengthening its provisions so that it will make its full contribution to the preservation of our democracy and our system of free enterprise in the difficult reconversion and post-war periods."

The majority report of the Committee, on the other hand, said that the statutory increase to 2 percent was unnecessary to finance benefit payments for many years to come, and no "unnecessary increase in the existing high tax burden should be made now in view of the problems of reconversion from war to peace that soon will confront us." The Committee announced, however, that it had "unanimously voted to commence a study, at an early date, of what constitutes an adequate contingent reserve fund and the rates required to produce and maintain that fund on a sound financial basis."

On March 26, 1945, the House endorsed a comprehensive investigation of the social security program by agreeing to H. Res. 204, which appropriated \$50,000 to be spent by the House Ways and Means Committee "in obtaining information with respect to the need for the amendment and expansion of the Social Security Act, with particular reference to old-age and survivors insurance and the problems of coverage, benefits, and taxes related thereto."

At that time, some 80 bills were pending before the House Committee on Ways and Means proposing various changes in old-age and survivors insurance, unemployment insurance, and public assistance. These proposals included important changes in requirements for receipt of old-age and survivors insurance benefits, computation of the benefit amount, rate of contributions, and other aspects of financing. They also included incorporation of disability benefits in the Federal insurance program and extension of Federal financial participation to general assistance.

After the House action on H. Res. 204, the Ways and Means Committee appointed a technical staff of six members, under the direction of Com-

mander Leonard J. Calhoun, to investigate social security problems and report their findings to the Committee. That report, *Issues in Social Security*, was presented on January 17, 1946.³

Late in February the Committee began public hearings, which continued until June 7. The printed transcript⁴ fills some 1,500 pages and includes testimony of the 157 witnesses who appeared before the Committee—Federal, State, and local officials, representatives of private organizations interested in social security and allied fields, and individuals concerned with particular aspects of the program—as well as statements submitted by other witnesses.

On June 28 Representative Doughton, Chairman of the House Ways and Means Committee, introduced H. R. 6911, which was referred back to the Committee and reported out on July 1. In the report accompanying the bill (H. Rept. 2447, 79th Cong., 2d sess.), Mr. Doughton explained that, while Congress now had available "a body of information essential to making needed changes in the various social security programs," the time for considering and reporting on legislation for immediate enactment was so limited "that the consideration of various proposed basic changes could not be undertaken at this time." The proposed bill was therefore "limited in scope," dealing only with "comparatively simple legislative changes which could be speedily prepared by the Committee and enacted by the Congress."

H. R. 6911 consisted of five titles: social security taxes; benefits in case of deceased World War II veterans; unemployment compensation for maritime workers; technical and miscellaneous provisions; and State grants for old-age assistance, aid to dependent children, and aid to the blind. The last title was the storm center in the ensuing legislative discussion on this bill and its successor, H. R. 7037, during the remainder of the session.

* Division of Publications and Review.

¹ See the *Bulletin*, August 1944, pp. 15-17.

² See the *Bulletin*, October 1944, pp. 10-15.

³ See the *Bulletin*, February 1946, pp.

3-9.

⁴ House Committee on Ways and Means. *Amendments to Social Security Act. Hearings . . . 79th Congress, Second Session*. February 25-June 7, 1946.

Federal Grants for Public Assistance

Federal grants to States, related to State per capita income and varying from 50 to 75 percent of the total spent by a State for public assistance, had been proposed in two bills—the Wagner-Murray-Dingell bill (S. 1050, H. R. 3293, introduced May 24, 1945) and the Forand bill (H. R. 5686, introduced March 6, 1946). The Forand bill—the Public Welfare Act of 1946—incorporated the recommendations of the American Public Welfare Association and was endorsed by many of the welfare officials who testified at the hearings. It proposed a uniform program of grants to the States for assistance to the needy and for welfare services, with use of the same formula to determine Federal grants for assistance, welfare services, and administration. The proposed program would be administered by the Federal Security Administrator and included provisions making it possible for the Federal Government to assist the States in meeting need whatever its cause. The States would have the option of continuing the present categories of old-age assistance, aid to dependent children, and aid to the blind or of providing for these groups as part of a comprehensive assistance program. No maximum limitation on Federal participation in payments to individuals was specified, but funds within the State had to be allocated in such a way as to meet in full the recipient's need in terms of standards established by the State agency.

The Ways and Means Committee had considered both bills during its hearings on social security, devoting 10 days to the Forand bill but deciding that it was too late in the session to take up a measure of such broad implications. It therefore agreed to report a more limited proposal, but the majority of the Committee agreed on the compromise measure only on the understanding that the Committee would consider the Forand bill again next January. Representative Forand declared on the floor of the House that he intended to press for its enactment in the 80th Congress and that the Committee had promised that it would receive consideration early in the next congressional session.

The Committee's compromise measure, title V of H. R. 6911, introduced June 28, provided for an increase both in the Federal share of assistance payments in the States with per capita income below the national average and also in the Federal matching maximums for payments to individuals. For States where per capita income is below the average for the country as a whole, the Federal share would be increased proportionately up to a maximum of 66½ percent. The wealthiest States (and Alaska, Hawaii, and the District of Columbia) would continue to share public assistance costs equally with the Federal Government; States where per capita income falls below two-thirds of the national per capita income would pay one-third of the costs of the assistance program and receive two-thirds from Federal funds; for States in the intermediate group the State percentage would be half the ratio of State per capita income to national per capita income. The Federal matching maximums would be raised from \$40 to \$60 for old-age assistance and aid to the blind and from \$18 to \$27 for the first child receiving aid to dependent children in a family and from \$12 to \$18 for each additional child aided in the home.

A minority report, signed by six Republican members of the Committee, strongly attacked the Democratic majority for "scuttling the present 50-50 system of State-Federal matching by imposing on the taxpayers a 2-for-1 rule that would enable a small group of favored States to obtain \$2 from the Federal Treasury for every \$1 from their own." Such a rule, they charged, "abrogates the long-standing system of equal financial participation by the State and the Federal Government in the noncontributory programs originally provided for in the Social Security Act."

The minority's opposition made it impossible to obtain from the Rules Committee permission for the bill to be voted on before its regular place on the legislative calendar and for it to be considered under a closed rule barring amendment from the floor. Accordingly, H. R. 6911 was withdrawn, and a substitute, H. R. 7037, carrying the same five titles, was introduced on July 15.

Like H. R. 6911, H. R. 7037 lifted the ceiling on Federal matching, but it deleted the controversial section providing for variable grants. It proposed raising the Federal matching maximums from \$40 to \$50 for old-age assistance and aid to the blind and from \$18 and \$12 to \$27 and \$18, respectively, for the first and additional children aided in a family. Within these maximums, the Federal and State governments would share the costs on a 50-50 basis, as under existing provisions. The bill specified that the proposed increases were to be operative for 15 months only—from October 1946 through December 1947.

H. R. 7037 passed the House on July 24 and on the following day was introduced in the Senate, where it was referred to the Committee on Finance. By unanimous consent the Senate proceeded on July 29 to consider the bill as amended and reported by the Committee (S. Rept. 1862).

The Senate Finance Committee reported itself "strongly of the opinion that raising the Federal matching maximums on individual payments, as proposed in the House bill, without simultaneously providing special Federal aid to low-income States, will only serve to increase the very inequities we are seeking to minimize. Under the House bill, the already large disparity in payments between the high- and low-income States would be widened . . . the richer States, i. e., most of those that are now making payments in excess of the present Federal matching maximums on individual payments, will receive additional Federal funds to assist them in making such payments. The low-income States, on the other hand, for the most part are unable to make payments that even approach the present Federal matching maximums."

On July 30 the Senate passed H. R. 7037 with an amended title V, which retained the ceilings set forth in the House version but restored the variable-matching provisions. The same day—only 3 days before Congress adjourned—the amended bill was returned to the House, where Representative Doughton asked unanimous consent to have the bill taken up and a conference with the Senate agreed to. An objection by Representative Knutson, ranking minority member of the Ways and Means Committee,

made a resolution to send the bill to conference necessary. On August 1 such a resolution was introduced and agreed to unanimously, and conferees were appointed. Within a few hours, the conferees agreed on a compromise title V, and on August 2 the conference report was adopted by both Houses without a roll-call vote.

In its final version, title V makes three changes in the public assistance provisions of the Social Security Act for the 15 months from October 1946 through December 1947:¹

(1) It increases the maximum individual payment for Federal matching purposes from \$40 to \$45 a month for old-age assistance and aid to the blind and, for aid to dependent children, from \$18 for one child in the family and \$12 for each additional child aided to \$24 and \$15, respectively.

(2) It increases the Federal share of assistance payments under a formula which permits the Federal Government, subject to the maximums on individual payments stated in paragraph (1), to pay two-thirds of the first \$15 of the average State monthly assistance payment for the aged and the blind, and of the first \$9 of such average payment for dependent children, plus one-half of the remainder of such average payments. Formerly the Federal Government paid one-half of all individual assistance payments within the maximums of \$40 for the aged and the blind and of \$18 for the first child aided and \$12 for each additional child.

(3) It provides that Federal funds for administering old-age assistance will equal half the cost of operating the program—the provision in effect for aid to dependent children and aid to the blind. In the past, Federal funds for administrative expenses of old-age assistance were provided as a percentage addition (5 percent) to the grant for assistance payments. This additional amount could be used for administration and/or assistance. For most States this change will mean more Federal money for administration.

¹ See pages 25-30 for a discussion of the effect of these changes on Federal costs, average payments, and recipients under various assumptions concerning State-local expenditures.

Social Security Taxes

Title I of H. R. 6911 proposed to increase to 1½ percent the rates for both employer and employee contributions under the Federal Insurance Contributions Act for 5 years beginning January 1, 1947; for 1952 and thereafter the rates would be 3 percent each. It would also have repealed the amendment to the Social Security Act contained in the Revenue Act of 1943 which authorized Congress to appropriate from the general fund of the U. S. Treasury to the old-age and survivors insurance trust fund the amounts needed to finance the payment of old-age and survivors insurance benefits.

In explaining the proposed increase to 1½ percent, the Committee report (H. Rept. 2447) alluded to the previous yearly tax freezes and said that it would be "for the best interests of all concerned if the rate could be fixed at this time for a reasonable period." The report of the technical staff had shown, the report continued, that while unanticipated high levels of wartime employment had caused the trust fund to exceed estimates made in 1939, it had also increased substantially the prospective benefits which must be paid from the fund. It seemed, therefore, "that orderly and sound financing of the old-age and survivors insurance system makes appropriate an immediate increase in the present contribution rates. The period of 5 years has been determined upon as one which will settle the present annual question of rates for some time to come, and at the same time permit further experience before fixing the rates for subsequent years."

The minority disagreed, and the substitute bill, H. R. 7037, in the form in which it was introduced, would have continued the present 1-percent rates for employer and employee contributions for another year—to January 1, 1948, when the rates would rise automatically to 2½ percent under existing statute. Like H. R. 6911, it would have repealed the authorization for appropriations from the general fund to the old-age survivors insurance trust fund.

The Senate Finance Committee (S. Rept. 1862) agreed with the House provision that the present rates should be continued for a year "pending decision as to various proposed basic

changes in the program." It pointed out, however, that the provision authorizing appropriations to the Federal old-age and survivors insurance trust fund had been added in 1943 in "recognition of the fact that freezing of the tax at the 1-percent rate, if long continued, will result in a reserve which will ultimately be insufficient to meet the liability for benefits, and that contributions from general revenues, therefore, may eventually be necessary to make up this deficiency. To repeal this provision . . . while continuing to freeze the tax, might be taken to imply an unwillingness of Congress to underwrite the solvency of the system."

The Committee therefore omitted the provision repealing the earlier amendment as "being inconsistent with the continued freezing of the tax."

On July 30 the Senate approved this title as it came from the Committee, without substantial amendment, and the House conferees agreed to the Senate version. As reported by the conference and passed by both Houses, title I simply freezes the contribution rates under the Federal Insurance Contributions Act for 1947.

Survivor Benefits for Dependents of World War II Veterans

Title II, which extends the protection of survivors insurance to the survivors of World War II veterans who die within 3 years after receiving their military discharge, remained substantially unchanged from H. R. 6911 to the final version of H. R. 7037.

Service in the armed forces has always been considered Government employment and has consequently been excluded from coverage under the Social Security Act. The effect of military service requirements arising out of the war, therefore, has been to keep millions of men and women from receiving wage credits that they ordinarily would have earned in covered employment.

Military service could affect a worker's social insurance rights adversely in any of three situations: (1) The worker had insured status when he entered military service and retained it on his discharge. His period of service operated, however, to decrease his average monthly wage and, therefore, the amount of benefits ultimately

payable on his account. (2) The worker had fully or currently insured status when he entered the armed forces, but his time in military service caused his insured status to lapse. (3) The individual did not have insured status, because he had not worked long enough in covered employment to acquire status, or had previously worked in noncovered employment, or had never been employed. His services in the armed forces prevented him from acquiring insured status through work in covered employment. In either of these two latter situations, also, military service would tend to reduce the amount of any benefits ultimately payable to the worker and his dependents or survivors.

On September 14, 1940, President Roosevelt asked Congress to protect the insurance rights of civilians drawn into military service, and legislation to accomplish this end was passed by the Senate as a rider to a bill which later became the Second Revenue Act of 1940. The provision was deleted in conference, however, because it was felt that there was need for further study of the problem, although it was generally agreed that protective legislation should be speedily enacted.

In April 1942 an amendment to the Railroad Retirement Act extended credit for military service toward retirement benefits under that act to all persons serving in the armed forces during any war period or time of national emergency. In the next 2 years, 14 bills were introduced to provide servicemen with old-age and survivors insurance protection, and during 1945-46 some 20 other measures were introduced in the 79th Congress. These bills made varying approaches to the problem of servicemen's rights under old-age and survivors insurance. One approach is exemplified in S. 878, introduced by Senator Wagner on April 17, 1945, which would have provided wage credits of \$160 to each serviceman as remuneration for employment for each month of active service after September 7, 1939. If benefits were payable for an individual under both this section and veterans' regulations, adjustment would be made in accordance with joint regulations to be issued by the Veterans Administration and the Social Security Board (now the Social Se-

curity Administration). A companion bill, H. R. 2912, was introduced in the House by Representative Lynch.

On May 1, 1946, Senator Butler introduced S. 2137, which also proposed to grant servicemen wage credits of \$160 for each month of military service but made no provision for adjusting concurrent benefits under old-age and survivors insurance and veterans' legislation.

A third approach was made in S. 2204, introduced by Senator George on May 15, which had been prepared by the Federal Security Agency and the Veterans Administration. It proposed to guarantee minimum survivors insurance benefits during the critical 3-year period following discharge from the armed forces. S. 2204 was referred to the Finance Committee, which held hearings on May 22 and 23 on that and related bills and on June 10 reported the bill to the Senate (S. Rept. 1438).

In reporting on S. 2204 the Committee referred to the many bills relating to lapse of servicemen's benefit rights and declared its belief that "the wisest course is to enact a measure which will supplement, but will not duplicate, the protection afforded by the pension laws." Since protection is now lacking when the serviceman dies within a relatively short period after separation from military service in such circumstances that veterans' pensions are not payable, "the bill seeks to close this gap" by providing "social security protection, beginning when the protection of the pension laws terminates and ending when the veteran has had a reasonable opportunity to acquire or reacquire insured status by employment covered by old-age and survivors insurance."

S. 2204 passed the Senate on June 14 without a recorded vote. Four days later it was introduced in the House, where it was referred to the Committee on Ways and Means and, as title II, became part of H. R. 6911 and H. R. 7037.

Under title II any World War II veteran with the qualifying eligibility requirements—which are approximately those specified in the GI Bill of Rights—and who dies or has died within 3 years of his separation from the service, shall be deemed to have

died a "fully insured" individual, to have an average monthly wage of not less than \$160, and to have been paid wages of \$200 in each calendar year in which he had 30 days or more of active service after September 16, 1940. Benefits are made retroactive if the ex-serviceman died within 3 years after discharge but before the law was enacted. The costs of the benefits payable under this title will be met by appropriations to the old-age and survivors insurance trust fund of "such sums as may be necessary."

The fact that the serviceman is deemed to have died a fully insured individual means that his survivors will be eligible for any of the various types of survivor benefits under the Federal system. The credit of the average monthly wage to his account ensures at least a given level of benefits, and the provision deeming him to have been paid wages of at least \$200 in each year with 30 days' military service increases the basic primary insurance benefit amount on which benefits to survivors are computed by 1 percent for each such year, as in civilian covered employment.

These provisions afford a "satisfactory temporary solution," the Chairman of the Ways and Means Committee declared in a speech on the floor of the House, but they do not afford a permanent solution to the problem of crediting military service for the purposes of old-age and survivors insurance. He promised that the question would receive further study.

Unemployment Insurance for Maritime Workers

Protection of seamen was recommended in 1935 by the Committee on Economic Security, which proposed a "separate nationally administered system of unemployment compensation for railroad employees and maritime workers," and the economic security bill as originally introduced in the House would have levied a tax on maritime employers. The Social Security Act excluded maritime employment from the taxing provisions, however, and most State laws had similar exclusions, based on the assumption that seamen were under exclusive Federal jurisdiction and that

the States had no authority to cover them. Although private maritime employment was brought under the provisions of the old-age and survivors insurance program in 1939 and employment by or through the War Shipping Administration in 1943, no action was taken to provide unemployment insurance protection to this group.

In May 1943 the United States Supreme Court held that employers otherwise subject to a State unemployment insurance law were not excluded from coverage, by the Constitution or laws of the United States, by reason of being maritime employers. This decision cleared up the constitutionality of coverage of maritime workers in private employment under State laws. During the war, however, the very large majority of all workers in deep-sea shipping were employees of the War Shipping Administration and hence of the Federal Government. As such they could not be covered under State laws.

After the Supreme Court ruling, several States acted to remove the exclusions in their laws for some or all maritime workers in private employment. By the middle of 1946, some 34 States either had no exclusion of maritime service or provided for automatic extension when the Federal Unemployment Tax Act is extended.

Various bills have been introduced since 1938 which would have created a Federal maritime unemployment insurance system, but the first bill to propose coverage of all maritime employment under State unemployment insurance laws was introduced by Representative Lynch in the House on March 9, 1945, and referred to the Ways and Means Committee. This bill, H. R. 2564, proposed to amend the Internal Revenue Code to permit States to cover all private maritime services by extension of the Federal Unemployment Tax Act. It would not apply to maritime workers employed by carriers as agents of the War Shipping Administration, who were considered Federal employees. No hearings were held on H. R. 2564.

In February 1945, Representative Herter had introduced H. R. 2180. This bill was of a temporary nature, substantially like the GI Bill of Rights for veterans. It proposed that members of the merchant marine dur-

ing the war receive readjustment allowances following their release from the merchant marine. The allowances were to be financed by the Federal Government. This bill was referred to the Merchant Marine and Fisheries Committee.

A different approach was proposed in H. R. 3736, introduced, on request, by Representative Doughton on July 9, 1945, and referred to the Ways and Means Committee, and in S. 1274, introduced by Senator Kilgore on July 17. Among other things these bills included provision for federally financed benefits to all seamen for an emergency period ending June 30, 1947, to be paid through State agencies. The Doughton bill provided that seamen would receive benefits according to the provisions of State laws, while the Kilgore bill and its companion bill H. R. 3891, introduced by Representative Forand on June 2, stipulated that seamen would have the same rights to unemployment benefits as were provided under the District of Columbia unemployment insurance law. Under both bills, provisions were included for increasing the maximum amount and duration of benefits provided under State laws. Hearings were held on both these bills. On September 20, the Senate passed S. 1274, with amendments, and referred it to the House Ways and Means Committee, which on September 24 postponed further consideration of both bills.

On June 11, 1946, Mr. Lynch introduced H. R. 6749, which was referred to the Ways and Means Committee. The bill amended the Federal Unemployment Tax Act, effective July 1, 1946, to cover all maritime employees included under old-age and survivors insurance. Unlike his earlier bill, this proposal also extended coverage under the Federal Unemployment Tax Act to seamen employed by agents of the War Shipping Administration. It permitted each State to cover seamen working for an employer whose operating office was within the State and, effective January 1, 1947, authorized the States also to cover under their laws seamen employed by the War Shipping Administration.

Since benefits under regular State coverage would not be immediately available to this second group, the

bill also proposed to amend the Social Security Act by adding a new title XIII, which would provide for reconversion unemployment benefits to such maritime workers—to be paid for unemployment occurring between the "fifth Sunday after the date of enactment of this title" and June 30, 1948. Title XIII would be administered by the Federal Security Administrator, and the State agencies would act as agents of the Federal Government. Benefits would be payable according to the provisions of State laws, and the Federal Government would repay the States for all benefits paid under this title.

Title III of H. R. 6911 incorporated many of the provisions of H. R. 6749. It amended the Federal Unemployment Tax Act, effective July 1, 1946, to extend coverage to private maritime employment and provided that reconversion unemployment benefits to seamen employed by the War Shipping Administration would be paid to June 30, 1949. H. R. 7037 carried title III intact, and Mr. Lynch, speaking on the floor of the House, pointed out that it has been "unanimously agreed upon" and had "met with the approval of the labor unions, the ship operators, and the State agencies." In the conference committee a provision was inserted which stipulated that no reconversion unemployment benefits would be payable to an individual for unemployment occurring prior to the time when funds were made available for such purpose. This change had the effect of postponing operation of title XIII until funds for benefit costs are made available.

In reporting H. R. 7037, the Committee on Ways and Means left the door open for further legislation on the subject, pointing out that "Congress could have created an unemployment compensation system for maritime workers and exclude from State jurisdiction the workers who were covered by such system. The fact that the Congress has, as a matter of policy, decided not to do so, does not preclude making another choice if the necessity arises at some future time."

Title III has two purposes—permanent coverage of certain types of maritime employment under the

State unemployment insurance systems and temporary protection for seamen who have been employed by agents of the War Shipping Administration and thus are technically Federal employees.

To accomplish the first of these purposes, title III amends the Federal Unemployment Tax Act, as of July 1, 1946, to extend coverage to private maritime employment. The States are authorized to extend their unemployment insurance laws to private operators of American vessels "operating on navigable waters within or within and without the United States," and to require contributions with respect to the employment of seamen on such vessels. Seamen's services for the purposes of wage credits, must be treated like other covered employment performed for the operator in the State.

To achieve its second purpose, title III amends the Social Security Act by adding a new title XIII, which authorizes the Federal Security Administrator to enter into an agreement with any State or with the unemployment insurance agency of a State to provide that the State agency shall make payments as an agent of the United States to workers who have performed Federal maritime service within the designated reconversion period. The costs of such payments will be borne by the Federal Government, but the benefits are to be in the same amounts, on the same terms, and subject to the same conditions as if such employment had been subject to the State unemployment compensation law. The Administrator may make direct payments to the seamen when no agreement has been made between him and a State or when the State unemployment insurance agency fails to make payment in accordance with an agreement; in such cases the amounts, terms, and conditions of the payment will follow the State law.

Though the act specifies that the period during which the reconversion benefits are to accrue shall begin with the fifth Sunday after enactment of the law and end June 30, 1949, Congress did not appropriate funds for this purpose and the act provides that no benefits can be paid for unemployment occurring before the date funds for the purpose are made available.

Technical and Miscellaneous Provisions

Title IV of the Social Security Act Amendments of 1946 includes provisions affecting various programs under the Social Security Act.

Child health and welfare services.—Both the need for and equity of extending to the Virgin Islands the maternal and child health and welfare services provided under title V of the Social Security Act had been established by testimony at the social security hearings before the House Ways and Means Committee. H. R. 6911 and H. R. 7037, as passed by the House, in addition to providing for such extension, authorized increased appropriations in the amounts "necessary or equitable" as a result of such extension. This latter provision was deleted by the Senate, and a substitute was inserted which increased to \$31.5 million the authorization of the total appropriation for grants under the title and for Federal administration. The authorization for Federal grants to all States for maternal and child health services was increased from \$5.8 million to \$15 million a year; for services to crippled children, from \$3.9 to \$10 million a year; for child welfare, from \$1.5 million to \$5 million. Authorization of funds for the Federal administration of these grants for the fiscal year 1947 was set at \$1.5 million. The House bill had contained no provision corresponding to these increases for all the States and no authorization of appropriations for administrative expenses.

When H. R. 7037 went to conference, the House proposed to reduce the total increase proposed in the Senate amendment by about half; and the final agreement authorized an appropriation of \$23 million for Federal grants for these purposes—\$11 million for maternal and child health services, \$7.5 million for services to crippled children, \$3.5 million for child welfare, and \$1 million for administrative expenses—and extended these services to the Virgin Islands.

Use of employee contributions deposited in unemployment trust fund.—The new legislation permits the nine States that have collected contributions from employees under State unemployment insurance laws

to use them to finance disability insurance benefits. Two of the nine States—Rhode Island and California—now have established programs of this type. Rhode Island has been paying cash sickness benefits for more than 3 years, and California has enacted an amendment to its unemployment insurance law under which disability benefits will shortly become payable.

Old-age and survivors insurance.—Other sections of title IV are designed to correct minor flaws, inequities, and anomalies that have come to light in the operation of old-age and survivors insurance. The most important changes are:

1. Liberalization of eligibility requirements for parent's benefits by changing the requirement that a parent must have been "wholly" dependent on the deceased wage earner to "chiefly" dependent, and by permitting a dependent parent to qualify when the wage earner's surviving widow or child is neither immediately nor potentially eligible for monthly benefits. These provisions are effective for claims filed after 1946.

2. Revision of eligibility requirements for child's benefits (a) to permit the child to continue receiving benefits on the parent's wage record if, after the parent's death, he is adopted by a stepparent, grandparent, aunt, or uncle, but (b) to bar the child from benefits on the wage record of his primary beneficiary father if the child was living with and chiefly supported by a stepfather and was not receiving support from his father.

3. Repeal of the requirement that children aged 16 and 17 must attend school as a condition for receiving a child's benefit.

4. Liberalization, for claims filed after 1946, of the definition of "wife" and "child" to include a stepchild, adopted child, or a wife whose relationship to the wage earner had continued for the 36 months immediately before application for supplementary benefits was filed or, in the case of child's survivor benefits, 12 months before the wage earner died.

5. Authorization to compute the monthly benefit as of the time when, all other conditions of eligibility being met, the highest benefit amount

would result, and liberalization of the terms under which benefits are recomputed to include wages received after the first contribution.

6. Liberalization of the definition of "currently insured individual," for claims filed after 1946, to include wages in the quarter in which the wage earner dies.

7. Liberalization of the provision for retroactive payment for as much as 3 months by extending it to include the primary beneficiary, for claims filed after 1946.

8. Revision of the definition of the term "wages" to simplify the Administration's recordkeeping, the employer's reporting, and the payment of refunds of contributions to employees who receive wages of over \$3,000 from more than one employer during a year.

9. Provision for allocating 1937 wages, which were reported semianually, on a quarterly basis.

10. Elimination, for deaths occurring after 1946, of lump-sum death payments to a spouse who is not living with the worker at the time of his death and to children and parents (unless they have paid the worker's funeral expenses), and elimination, after February 10, 1947, of lump-sum payments under the 1935 provisions with respect to the wage records of

persons who died before 1940.

11. Making the 2-year limitation on filing of claims for lump-sum payments run from August 10, 1946, in the case of insured workers who died outside the United States after December 6, 1941, and before August 10, 1946.

Other proposals.—The Senate Committee on Finance had added, and the Senate passed, two other titles to H. R. 7037, but both were dropped in the conference between House and Senate. Title VI would have authorized and directed the Joint Committee on Internal Revenue Taxation to make a full and complete study and investigation of all aspects of social security and to report the results of its work, with its recommendations, not later than October 1, 1947.

Title VII would have amended the section of the Internal Revenue Code relating to the taxation of annuities purchased by employers for their employees; it also contained a provision exempting the Veterans' Emergency Housing Act of 1946 from the provisions of the Administrative Procedure Act. The first part of title VII was dropped, but the second section became title VI of Public Law 719—Veterans' Emergency Housing Act of 1946.

(Continued from page 1)

employment opportunities for workers who were laid off earlier in the reconversion and are still unemployed are not as good as those for newly separated employees. This interpretation of the relatively slow decline in compensable claims is supported by the fact that the decline is partly due to exhaustion of benefit rights by workers who were laid off or displaced by veterans in the earlier phase.

Since the middle of July a downward trend has been evident in the number of ex-servicemen making continued claims for unemployment allowances under the veterans' program.

Week ended	Continued claims
July 13	1,817,051
July 20	1,734,697
July 27	1,720,270
August 3	1,690,931
August 10	1,664,482
August 17	1,678,769
August 24	1,661,889
August 31	1,649,880

In August, however, the average weekly number of veterans claiming readjustment allowances was about one-and-a-half times the number of continued claimants under State unemployment insurance programs. The number of veterans filing continued claims in the week ended August 31 was 9 percent below the peak in the week ended July 13; in the same period the number of workers filing continued claims under State unemployment insurance programs declined by almost 24 percent. This marked difference in the rate of decline indicates that unemployment among veterans differs from industrial unemployment of the usual type. In fact, the veterans' program is supposed to help ex-servicemen through the transition from the military pattern of life to the peacetime pattern, not merely between two spells of employment. It is understandable that

Future Consideration

Conferees from both Senate and House pointed out that the social security legislation enacted was limited in scope. Senator George, who submitted to the Senate the conference report accompanying the bill as it was finally adopted, declared that the "whole social security system must be overhauled." Senator Connally, also one of the conferees, said that "the whole subject matter should receive thorough study and examination . . . I think that ultimately we shall have to revamp the whole system; but this is at least a beginning of the right kind." On the other side of the Hill, Representative Dingell, a House conferee, said that the job of Congress "is not finished with this report, and the House will understand that in the field of old-age and survivors insurance many interrelated matters must be considered and settled. I hope this will be done early next year."

On August 2 the Senate adopted a resolution proposed by Senators George and Vandenberg, directing the Senate Finance Committee to make the investigation of all phases of social security that had been proposed in the amendment dropped in conference and instructing the Committee to appoint an advisory council to aid it in exploring the subject.

this process of readjustment may take more time than the shift of a regular worker from one job to another.

July in Review

Initial claims for unemployment benefits continued downward in July but at a slower rate, which may reflect a similar slowing down in reconversion or may represent an approach to equilibrium in the labor market. The \$88.4 million paid in benefits represented compensation for 4.9 million weeks of unemployment. Nearly half this amount was paid to women, who made up more than two-fifths of all claimants—a higher proportion than the relative number of women in the labor force as estimated by the Bureau of the Census. Part of this high ratio of women claimants results from the fact that many men

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Effect of War-Risk Tax Provisions, 1943 and 1944

By Thomas C. Fichandler and Martin L. Marimont *

PROVISIONS for special war-risk contributions from employers were in operation as part of the unemployment insurance laws of 9 States in 1943 and 10 States in 1944.¹ Under these provisions, employers whose pay rolls in 1943 or 1944 exceeded past pay rolls by a certain percent and, in about half the States, new employers were generally required to pay contributions to the unemployment trust fund at an increased rate. About half the States exempted smaller firms from war-risk taxes.

The higher rate was imposed on the assumption that employers whose pay rolls had increased substantially during the war would probably lay off

* Bureau of Employment Security, Program Division.

¹ Provisions were in effect during 1943 and 1944 in Alabama, Florida, Illinois, Iowa, Maryland, Minnesota, Missouri, Oklahoma, Wisconsin, and in Ohio in 1944. For a detailed explanation of war-risk provisions, see Friedman, Gladys R., "War-Risk Contribution Provisions in State Unemployment Compensation Laws," *Social Security Bulletin*, May 1944, pp. 2-8.

large numbers of workers at the end of the war and cause a severe drain on the unemployment trust funds. The war-risk provisions were designed to exact additional contributions from such employers at a time when they were best able to make such payments.

On a national scale the impact of the war-risk provisions has been relatively light. They caused the average employer tax to increase from 2.04 to 2.09 percent in 1943 and from 1.79 to 1.92 percent in 1944. In the war-risk States, however, these special taxes increased revenue by \$32.5 million or 19 percent in 1943 and by \$75.3 million or 33 percent in 1944 (table 1). In these States the average employer tax rate was raised from 1.59 to 1.86 percent in 1943 and from 1.43 to 1.90 percent in 1944. Only 5.6 percent of the employers in war-risk States in 1943 and 11.0 percent in 1944 were required to pay these higher taxes (table 2).

Only in one State—Wisconsin in 1944—did these special taxes make up for the reduction in revenue resulting

from the operation of "normal"² experience-rating provisions. In the absence of the special taxes, 1943 and 1944 contributions would have fallen 41 and 46 percent, respectively, below collections at the standard 2.7-percent rate in the war-risk States; with those taxes in effect, the revenue reduction was approximately 30 percent in each year.

War-risk contributions were greater in 1944 than in 1943 for a number of reasons. First, the special tax provisions went into effect in an additional State—Ohio—in 1944. Second, war-risk taxes were in effect throughout 1944 in all 10 States, whereas in 1943 they were in effect in only 2 States throughout the entire year. Third, rising pay rolls increased both the number of liable firms and the pay-roll base to which the special tax was applied.

Although data are not yet available for 1945, there can be no doubt that contributions resulting from the war-risk provisions declined sharply below 1944 levels, despite the fact that 12 States required such taxes during

² "Normal" refers to the rate-modification provisions in State laws other than the provisions for war-risk and, in Wisconsin, special postwar reserve contributions.

Table 1.—Effect of war-risk provisions on employer contribution rates and revenue, by State, 1943 and 1944

[Amounts in thousands]

State	Effective date of war-risk provisions	Average employer contribution rate (percent)				Reduction in revenue under "normal" experience-rating provisions				Additional revenue from war-risk contributions ³				Net reduction in revenue			
		Excluding war-risk contributions ⁴		Including war-risk contributions		Amount		Percent		Amount		As percent of contributions under "normal" experience-rating provisions		Amount		Percent	
		1943	1944	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944	1943	1944
All States		2.04	1.70	2.09	1.92	\$403,778	\$566,887	25	34	\$32,549	\$75,265	3	7	\$370,107	\$491,662	23	30
All experience-rating States		1.77	1.59	1.85	1.74	403,778	566,887	35	42	32,549	75,265	4	10	370,107	491,662	32	37
All war-risk States		1.69	1.43	1.86	1.90	122,220	197,604	41	40	32,549	75,265	19	33	89,671	122,339	30	29
Alabama	April 1943	1.25	1.00	1.42	1.31	9,475	11,768	54	63	1,116	2,131	14	31	8,359	9,637	47	52
Florida	July 1943	2.24	2.10	2.33	2.25	2,632	3,650	17	22	523	914	4	87	2,109	2,736	14	17
Illinois	July 1943	1.36	1.16	1.53	1.66	57,685	72,559	50	57	7,142	23,558	12	43	50,553	49,601	43	38
Iowa	July 1943	1.92	1.68	2.20	2.40	3,786	5,203	29	38	1,385	3,672	15	43	2,401	1,531	18	11
Maryland	July 1943	2.01	1.51	2.49	2.28	7,799	12,581	26	44	5,487	8,160	24	51	2,312	4,421	8	16
Minnesota	January 1943	1.66	1.61	2.29	2.33	9,296	9,286	42	40	5,961	6,124	47	45	5,335	3,162	15	14
Missouri	July 1943	1.57	1.73	1.68	2.02	14,241	12,601	42	36	1,400	3,750	7	17	12,841	8,851	38	25
Ohio	January 1944	1.49	—	1.71	—	51,449	—	46	—	9,355	—	15	—	42,094	—	37	—
Oklahoma	January 1943	1.58	1.37	1.80	1.45	5,400	6,571	41	49	1,052	420	14	6	4,348	5,142	33	46
Wisconsin	July 1943	1.78	1.83	2.44	3.08	11,896	11,936	34	32	8,483	17,172	437	69	4,313	4,230	410	14

¹ Average employer contribution rate excluding "war-risk" contributions represents actual ratio (percent) of employer contributions to taxable wages reported by State agency and adjusted to exclude estimated additional contributions from war-risk provisions.

² Estimated increase in revenue over amount collectible on 1943 taxable wages in absence of war-risk contribution provisions.

³ Preliminary estimate.

⁴ Includes effect of special "postwar reserve" contribution of 0.5 percent.

⁵ Represents an increase over revenue due at the standard rate.

Table 2.—Number of active and war-risk accounts, 10 States, 1943 and 1944

State	1943			1944 ¹		
	All active accounts	War-risk accounts		All active accounts	War-risk accounts	
		Number	Percent of active accounts		Number	Percent of active accounts
All war-risk States	137,343	7,636	5.6	169,737	18,646	11.0
Alabama	6,146	236	3.8	6,753	192	2.8
Florida	7,470	693	9.3	7,483	1,203	16.1
Illinois	42,355	689	1.6	39,717	2,551	6.4
Iowa	7,832	326	4.2	7,498	575	7.7
Maryland	14,591	2,999	20.6	12,836	3,382	26.3
Minnesota	26,423	297	1.1	24,650	274	1.1
Missouri	12,939	647	5.0	(1)	(1)	(1)
Ohio	6,155	249	4.0	50,245	7,969	15.9
Oklahoma	13,432	1,500	11.2	14,041	1,908	13.6

¹ Excludes Missouri; war-risk data not available.² Excludes accounts subject only to the 0.5-percent special postwar reserve tax (this tax applicable to all accounts).

the year. While Georgia and Kansas employers became subject to war-risk taxes at the beginning of 1945, the special provisions were terminated in Missouri at the end of June and in Maryland at the beginning of October. In the other States the pay rolls of most liable firms fell below 1944 levels so that the tax was applied to a smaller base. In fact, the decline in pay rolls probably was so severe for some firms that they were no longer liable for the special tax. A further drop in war-risk contributions may be expected in 1946, when at most 7 States have these provisions in effect. The beginning and ending dates for the war-risk provisions are as follows:

Alabama	Apr. 1, 1943-Mar. 31, 1946
Florida	July 1, 1943-Indefinite
Georgia	Jan. 1, 1945-Dec. 31, 1946
Illinois	July 1, 1943-Dec. 31, 1945
Iowa	July 1, 1943-Dec. 31, 1945
Kansas	Jan. 1, 1945-Dec. 31, 1945
Maryland	July 1, 1943-Oct. 1, 1945
Minnesota	Jan. 1, 1943-June 30, 1947, or termination of war, whichever is earlier
Missouri	July 1, 1943-June 30, 1945
Ohio	Jan. 1, 1944-Dec. 31, 1947
Oklahoma	Jan. 1, 1943-Indefinite
Wisconsin	July 1, 1943-Indefinite

The normal tax rate was lower for the average war-risk State than for the average experience-rating State without war-risk provisions. For the war-risk States it averaged 1.59 and 1.43 percent in 1943 and 1944, respectively, compared with 1.84 and 1.64 percent for the other experience-rating States. However, normal experience-rating provisions had reduced tax rates considerably more in some of the non-war-risk States than

in the States which added these special taxes. In 1944, for example, Alabama's normal employer rate of 1.00 percent, the lowest among the war-risk States, was higher than the average tax rate in the District of Columbia (0.50 percent), Delaware (0.68 percent), and Massachusetts (0.94 percent). South Dakota, another non-war-risk State, had an average rate of 1.01 percent, lower than the Illinois rate of 1.16 percent. Nine non-war-risk States had lower average normal rates than 4 of the 10 war-risk States—Ohio, Oklahoma, Maryland, and Minnesota. The remaining war-risk States ranked among the 42 experience-rating States with respect to their average normal tax rate in 1944 as follows: Iowa—nineteenth; Missouri—twenty-first; Wisconsin—twenty-fourth; and Florida, with a

normal tax rate of 2.10 percent—thirty-third.

Rates High in States With Variable War-Risk Tax

In all States except Ohio a new war-risk rate was substituted for the normal rate on all or part of the employer's taxable pay roll. In Ohio, the additional tax was added to the employer's normal tax and applied to the total taxable pay roll. This combined tax has been considered the Ohio war-risk tax for classifying employers by size of war-risk rate.

Only Illinois, Iowa, and Wisconsin in 1943 and these three States plus Ohio in 1944 assigned variable war-risk rates depending on the individual employer's experience. The remaining States assigned a uniform rate to all employers who came under the special provisions.

A majority of the war-risk employers in the variable-rate States paid war-risk taxes at a rate at or above 2.7 percent in both years; Iowa assigned rates above 2.7 percent to more than four-fifths of its war-risk accounts in 1943 and 1944 (table 3).

In each of the States with variable war-risk rates in both years, there was a general shift to lower rates between 1943 and 1944. In Illinois the shift was almost unnoticeable. In Iowa during 1944, 18.2 percent of the firms, compared with 8.6 percent in 1943, paid at the 2.7-percent rate. In Wisconsin, 45.4 percent in 1944, as compared with 27.9 percent in 1943, paid at less than the 2.7-percent tax rate. This movement toward lower rates is attributable to the fact that

Table 3.—Percentage distribution of war-risk accounts by war-risk tax rate,¹ for States with variable war-risk rates, 1943 and 1944

State	Number of war-risk accounts	Percentage distribution of war-risk accounts by war-risk tax rate (percent)										
		Total	0	0.1-0.9	1.0-1.8	1.9-2.6	Below 2.7	At 2.7	Above 2.7	2.75-3.6	3.7-4.0	4.1-5.0
Total, 1943, 3 States	2,515	100.0	(2)	1.0	4.0	22.6	27.6	17.8	54.6	16.1	30.9	7.6
Illinois	689	100.0				40.1	40.1	55.9				
Iowa	326	100.0						8.6	91.4	25.2	7.4	58.8
Wisconsin ²	1,500	100.0	.1	1.6	6.7	19.5	27.9	.4	71.7	21.6	50.1	
Total, 1944, 4 States	13,033	100.0	.5	.8	16.3	29.4	47.0	14.0	39.0	31.6	1.0	6.4
Illinois	2,551	100.0				40.3	40.3	59.7				
Iowa	605	100.0						18.2	81.8	21.0	6.8	54.0
Ohio	7,969	100.0				20.6	39.6	51.2	2.4	46.4	40.4	
Wisconsin ²	1,908	100.0				3.3	15.1	27.0	45.4		54.6	16.0

¹ Rate assigned under schedule in war-risk provisions; applicable to war-risk taxable pay roll.² Less than 0.5 percent.³ Excludes accounts subject only to the 0.5-percent special postwar reserve tax (this tax applicable to all accounts).

Table 4.—Percent of accounts assigned war-risk rates, by "normal" employer contribution rate,¹ 7 States,² 1943

State	Number of active ac- counts	War-risk accounts		Percent of accounts assigned war-risk rates by "normal" employer contribution rate (percent)								
		Number	Per- cent of active ac- counts	0	0.1- 0.9	1.0- 1.8	1.9- 2.6	Below 2.7	At 2.7	Above 2.7	2.75- 3.6	3.7- 4.0
Total, 7 States	109,320	3,137	2.9	2.0	2.7	6.8	2.6	4.1	1.8	0.6	0.6	—
Alabama	6,146	236	3.8	—	7.3	7.5	3.0	7.0	(*)	—	—	—
Florida	7,470	693	9.3	—	22.8	26.9	23.2	(*)	(*)	—	—	—
Illinois	42,855	689	1.6	—	5.7	3.2	.8	3.8	(*)	(*)	(*)	(*)
Iowa	7,832	326	4.2	—	.1	5.4	—	2.0	8.1	1.1	1.1	—
Minnesota	26,423	297	1.1	—	.7	3.2	1.5	1.4	.9	.8	.8	—
Missouri	12,939	647	5.0	2.0	.5	3.3	—	1.4	10.1	4.8	4.8	—
Oklahoma	6,155	239	4.0	—	7.6	7.1	7.2	7.3	(*)	—	—	—

¹ "Normal" contribution rate is tax rate for which employer would be liable in absence of war-risk provisions.

² Data not available for Maryland and Wisconsin.

³ War-risk provisions not applicable to accounts assigned "normal" rates of 2.7 percent or more.

tax rates assigned in these States were based partly on employer-reserve ratios which increased in 1944. The combination of increased normal contributions because of rising pay rolls, low benefit payments, and the extra contributions collected under the war-risk provisions in 1943 forced reserve ratios up and tax rates down. Whereas no Wisconsin employer paid taxes at a rate in excess of 4.5 percent in 1943, an increase in Wisconsin's maximum rate (including the 0.5-percent postwar reserve tax) to 5.5 percent in 1944 resulted in the assignment of that rate to 22.6 percent of Wisconsin's war-risk employers.

During the first year of operation in Ohio, more than half (51.2 percent) of the war-risk accounts were taxed at a rate of less than 2.7 percent. Only 2.4 percent paid at a rate of 2.7 percent. The remaining 46.4 percent contributed at a 3.0-percent tax rate.

Higher Tax for More Firms With Medium Normal Rates

Employers whose tax rates in the absence of the war-risk provisions would have been between 1.0 and 2.6 percent were assigned war-risk rates more frequently than any other group. In 1943, war-risk rates were assigned to a larger proportion of the firms with normal rates between 1.0 and 1.8 percent than of any other group—6.8 percent of them had such rates.³ In 1944, firms with normal rates between 1.9 and 2.6 percent were assessed war-risk rates most frequently—22.6 percent (tables 4 and

serve-ratio experience-rating plan, employers whose pay rolls increased more rapidly than their reserves probably became subject to a higher normal tax rate as well as to the war-risk tax. In States using other types of experience-rating plans, however, employers whose pay rolls rose sharply became subject, in general, to lower normal tax rates at the same time they were assigned war-risk rates.⁴

Furthermore, differences in the definition of liable firms under the war-risk provisions, in the method by which they are taxed at the added rate, in the rate of entrance of newly subject employers and the degree to which they may be subject to war-risk taxes, all complicate the relationship between the normal tax rate and proportion of accounts assessed the added tax.

Effect on Revenue Varied Greatly Among States

Because of war-risk rates, employer contributions to the reserve funds increased 19 and 33 percent, respectively, in 1943 and 1944. Moreover, in several States the war-risk taxes brought contributions close to what they would have been at the standard 2.7-percent rate. The revenue raised by Wisconsin's war-risk tax and its

⁴ In these States, tax rates are based directly on the relationship between benefits and pay rolls. Sharp increases in pay rolls in combination with low benefit payments result in reduced tax rates.⁵

Table 5.—Percent of accounts assigned war-risk rates, by "normal" employer contribution rate,¹ 7 States,² 1944

State	Number of active ac- counts	War-risk accounts		Percent of accounts assigned war-risk rates by "normal" employer contribution rate (percent)								
		Number	Per- cent of active ac- counts	0	0.1- 0.9	1.0- 1.8	1.9- 2.6	Below 2.7	At 2.7	Above 2.7	2.75- 3.6	3.7- 4.0
Total, 7 States	150,381	14,678	9.8	3.1	4.4	16.9	22.6	11.2	8.4	2.7	2.6	4.2
Alabama	6,753	192	2.8	—	4.9	3.5	0	4.5	(*)	—	—	—
Florida	7,483	1,203	16.1	—	31.3	29.7	31.2	(*)	(*)	—	—	—
Illinois	39,711	2,551	6.4	—	15.5	12.3	4.7	12.8	(*)	(*)	(*)	(*)
Iowa	7,498	575	7.7	—	5	15.4	—	5.6	12.9	2.2	2.2	—
Minnesota	24,650	279	1.1	—	(*)	3.3	2.1	1.4	7	.8	.8	—
Ohio	50,245	7,969	15.9	—	17.7	53.3	13.8	20.8	21.4	21.4	—	—
Wisconsin ⁶	14,041	1,908	13.6	3.1	—	21.7	—	11.4	18.5	10.7	22.9	4.2

¹ "Normal" contribution rate is tax rate for which employer would be liable in absence of war-risk provisions.

² Data not available for Maryland, Missouri, and Oklahoma.

³ War-risk provisions not applicable to accounts assigned "normal" rates of 2.7 percent or more.

⁴ War-risk provisions not applicable to accounts assigned "normal" rates of less than 1.5 percent.

⁵ Excludes effect of 0.5-percent special postwar reserve tax.

* Based on data for seven States.

special 0.5-percent postwar reserve tax levied on all employers brought increases of 37 percent and 69 percent in 1943 and 1944, respectively, and increased contributions in 1944 to 14 percent above collections at the standard rate; in 1943, when the additional taxes were in effect only during the last half of the year, contributions were brought to within 10 percent of the amount collectible at the standard 2.7-percent tax rate (table 1). War-risk taxes brought revenue to within 15 percent of the amount collectible at the standard rate in Florida, Maryland, and Minnesota during 1943 and in Iowa and Minnesota during 1944.

The additional revenue resulting from the war-risk provisions increased collections in the war-risk States by varying amounts. Contributions from employers in 1943 were increased by 47 and 37 percent in Minnesota and Wisconsin. In Florida and Missouri, however, they were increased by only 4 and 7 percent, respectively. During 1944, when war-risk provisions were in operation for the entire year, the largest increases were in Maryland (51 percent) and Wisconsin (69 percent) and the smallest in Florida and Oklahoma (less than 10 percent).

The effect of the war-risk provisions on State contribution rates in the several States can be analyzed

on a more comparable basis for 1944 than for 1943, since in 1944 the provisions were in effect for the full 12 months in all 10 States.

Wisconsin experienced the greatest relative increase in contribution rates as a result of the additional taxes. Its average tax rate increased from 1.83 percent to 3.08 percent; Wisconsin thus became the only State with an average tax rate above the standard 2.7 percent. The extent of the increase was due in great part to the special postwar reserve tax of 0.5 percent imposed on all Wisconsin firms and to the raising of the maximum tax rate from 4.5 percent in 1943 to 5.5 percent in 1944. As a result, war-risk revenue amounted to \$17.2 million, or 69 percent more than would have been collected under the normal experience-rating plan.

In Oklahoma and Florida, on the other hand, 1944 tax rates were increased relatively little—from 1.37 to 1.45 percent and from 2.10 to 2.25 percent, respectively. The war-risk taxes in these States increased revenue by only 6 and 7 percent, respectively.

For two States, Oklahoma and Minnesota, 1944 was the second complete year during which war-risk provisions were in effect. While Minnesota's revenue was increased by about the same relatively large amounts (47 and 45 percent) in both years, in Oklahoma the additional revenue

dropped from 14 percent above normal collections in 1943 to only 6 percent above in 1944. This drop was due principally to the Oklahoma provisions for determining which employers and how much of their pay rolls were liable for war-risk rates. In 1943 and 1944, Oklahoma employers were liable for war-risk taxes if their current annual taxable pay roll was at least 300 percent of their lowest annual taxable pay roll for the 3 immediately preceding calendar years; the war-risk tax was applied to that amount of pay roll in excess of the 300-percent level. Thus for most employers in 1943, the 1940 pay roll was the base pay roll, whereas in 1944 the 1941 pay roll became the base. In 1941, taxable pay rolls for Oklahoma were nearly 20 percent higher than in 1940. Since 1941 pay rolls were considerably higher than 1940 pay rolls, and since 1944 pay rolls had increased by a smaller percentage above those in 1943, the amount of war-risk taxable wages and war-risk revenue for 1944 dropped substantially.

Why States Varied in Relative Increase in Revenue

The extremely wide range in the percentage increase in 1944 revenue due to war-risk taxes—from 6 percent in Oklahoma to 69 percent in Wisconsin—is the result of a number of legal and economic factors. The most im-

Table 6.—1943 taxable wages as percent of 1940 taxable wages, by industry division, 10 States

Industrial classification	Total, 10 States	Alabama	Florida	Illinois	Iowa	Maryland	Minnesota	Missouri	Ohio	Oklahoma	Wisconsin
Total.....	191.4	241.0	230.7	171.6	176.1	237.0	176.6	171.9	202.8	215.6	192.4
Agriculture, forestry, and fishing.....	129.6	220.2	139.5	183.1	158.1	90.4	240.5	100.9	75.7	108.5	153.4
Mining.....	164.8	181.3	202.5	164.9	118.0	155.5	219.3	178.9	174.6	131.5	182.5
Construction.....	221.4	272.8	216.0	180.6	136.1	308.3	120.6	226.2	226.2	722.1	205.3
Manufacturing.....	246.1	299.4	414.2	217.1	247.3	309.3	282.7	237.6	246.6	353.4	227.8
20 Food and kindred products.....	159.6	183.3	195.9	161.1	175.1	160.9	157.0	158.2	134.0	174.4	169.9
22 Textile-mill products.....	179.3	214.6	65.4	134.3	129.4	158.9	195.9	139.8	219.0	121.2	150.2
23 Apparel and other finished fabric products.....	166.2	215.7	421.3	159.7	235.7	138.0	167.4	172.0	151.8	759.5	270.7
24 Lumber and timber basic products.....	169.7	216.2	140.7	158.1	132.4	176.5	201.6	149.0	180.2	132.6	166.0
25 Furniture and finished lumber products.....	146.7	163.4	148.8	136.4	165.8	138.0	239.2	159.1	130.2	152.2	165.4
26 Paper and allied products.....	169.3	178.6	176.4	171.8	137.9	146.4	195.6	168.0	183.3	186.6	152.2
27 Printing, publishing, and allied industries.....	115.2	118.9	108.9	118.5	109.8	114.9	111.5	105.5	116.4	106.6	114.5
28 Chemicals and allied products.....	374.8	653.1	160.3	232.5	895.7	239.3	1,052.7	767.4	195.3	1,054.5	619.7
29 Products of petroleum and coal.....	167.5	164.9	75.3	181.9	95.6	178.5	155.2	215.2	148.9	136.9	136.9
30 Rubber products.....	194.8	287.3	93.4	162.9	81.4	1,685.2	194.4	210.6	334.6	26.8	26.8
31 Leather and leather products.....	163.1	193.3	152.6	172.5	478.6	106.5	216.7	160.3	140.7	134.7	171.2
32 Stone, clay, and glass products.....	149.6	166.0	145.3	142.2	122.9	158.4	174.6	150.7	147.1	196.8	128.5
19, 33 Ordnance, iron and steel and their products.....	267.3	192.5	416.6	310.0	527.3	188.7	596.1	219.7	250.3	238.7	245.6
34 Transportation equipment (except automobiles).....	2,028.6	2,823.0	5,029.7	1,318.0	757.8	1,268.2	19,654.0	1,242.3	3,953.1	13,374.7	1,207.0
35 Nonferrous metals and their products.....	226.2	1,382.7	189.0	176.7	215.0	166.6	226.2	154.0	282.9	158.7	244.3
36 Electrical machinery.....	255.3	95.5	378.9	223.8	918.1	676.4	313.4	371.9	200.8	96.8	380.6
37 Machinery (except electrical).....	241.1	369.7	266.1	221.0	223.2	304.3	280.5	272.2	257.6	265.1	230.1
38 Automobiles and automobile equipment.....	197.0	236.7	184.0	212.0	176.6	262.8	267.4	102.0	175.4	115.2	262.8
39 Miscellaneous manufacturing industries.....	179.4	271.1	255.1	172.9	211.4	146.0	203.5	150.3	196.0	119.8	174.8
Transportation, communication, and other public utilities.....	138.0	187.0	211.8	130.2	125.8	137.2	131.4	135.3	133.4	149.4	135.4
Wholesale and retail trade.....	122.8	166.0	147.2	120.6	118.9	137.4	114.7	108.7	122.7	137.1	124.4
Finance, insurance, and real estate.....	110.5	117.5	130.1	109.1	112.2	106.2	105.6	94.4	119.9	130.3	111.6
Service industries.....	144.3	203.3	165.9	127.5	143.2	166.1	125.4	139.0	155.7	226.5	146.5
Establishments not elsewhere classified.....	45.8	—	226.0	3.1	—	—	72.2	—	2.7	.2	981.2

portant of these are the percentage of all taxable wages in the State assessed the war-risk tax, the proportion of individual employer's pay roll assessed the special tax, and the maximum special tax rate assigned.

The percentage of all taxable wages assessed the war-risk tax is itself the resultant of several others. The proportion of a State's wages taxable at the war-risk rates is determined partly by the State's legal provisions which affect the number of accounts taxed and the portion of their pay roll to be taxed at the special rates, and partly by the size of the war-risk firms in relation to all other firms. The last factor may be extremely important. For example, in Minnesota only 1.1 percent of the firms were taxed at war-risk rates but 24 percent of the State's taxable wages were affected. This situation occurred because about half of the State's war-risk firms had taxable pay rolls of \$1 million or more, and more than a fourth had taxable pay rolls between \$100,000 and \$1 million.

Wisconsin, with a 69-percent revenue increase in 1944, assessed all employers at least the 0.5-percent special

postwar reserve tax. In addition, 66 percent of the State's taxable wages were subject to variable war-risk tax rates which ran as high as 5 percent. The sharp revenue increase in Maryland in 1944 above what would have been collected under normal experience-rating taxes (51 percent) resulted from the fact that more than one-fourth of the State's employers, with 58 percent of the State's taxable wages, had all their taxable pay rolls assessed the 2.7-percent war-risk rate.

At the other extreme, war-risk contributions in Oklahoma amounted to only 6 percent of normal contributions. In this State, only that part of a firm's pay roll in excess of 300 percent of the base pay roll was taxed at the 2.7-percent war-risk rate. Thus, only 4 percent of taxable wages were taxed at the war-risk rate.

In all other States for which data are available, less than half the 1944 taxable wages were subject to the war-risk tax. For all but one of these States, the war-risk pay roll was defined as only that portion of total taxable pay rolls which was in excess of a specified percentage of pay roll

in the base period. Furthermore, in some of these States war-risk tax rates were 2.7 percent or less. The relatively small revenue increase in Ohio, despite the fact that war-risk taxes were paid on 41 percent of 1944 taxable wages, is due to the fact that employers subject to the war-risk tax had to pay at a maximum additional taxes of only 1.0 percent above their normal tax.

Why States Varied in Proportion of War-Risk Accounts

Variation among States in the proportion of accounts liable for war-risk contributions is basically a result of the differing provisions of the various State laws and the degree to which taxable wages have increased in the several States. The proportion of war-risk accounts is dependent on certain economic and legal factors. It is determined by such factors as: (1) whether the State's total 1943 taxable pay roll exceeded the 1940 level by at least 90 percent; (2) whether all firms, regardless of size, were subject to the war-risk tax; (3) whether a 1-year period was used as the basis of comparison with the

Table 7.—Percent of accounts assigned war-risk rates, by industry division, 9 States, 1943

Industrial classification	Percent of accounts assigned war-risk rates									
	Total, 9 States	Alabama	Florida	Illinois	Iowa	Mary- land	Minne- sota	Missouri	Oklahoma	Wiscon- sin
Total.....	5.6	3.8	9.3	1.6	4.2	20.6	1.1	5.0	4.0	11.2
Agriculture, forestry, and fishing.....	5.3	0	10.4	.8	14.5	11.4	1.8	1.3	1.7	12.9
Mining.....	6.7	11.1	14.5	.5	4.6	25.6	27.6	8.9	4.1	19.6
10 Metal mining.....	28.2	3.6	(*)				51.0	40.5	11.1	(*)
12 Bituminous and other.....	9.1	13.7								(*)
14 Nonmetallic mining and quarrying.....	8.3	8.3	15.5	1.5	7.1	22.2	4.9	4.6	21.2	(*)
Construction.....	7.4	2.9	10.6	1.5	5.0	19.1	1.6	8.6	6.8	16.8
15 Building construction, general contractors.....	6.8	4.6	7.7	2.9	4.2	14.8	1.8	10.0	9.1	(*)
16 General contractors, other than building.....	9.0	3.9	19.2	1.4	5.9	22.6	3.9	16.9	5.2	(*)
17 Construction, special-trade contractors.....	5.5	.9	8.6	1.1	4.9	21.2	1.0	5.2	6.9	(*)
Manufacturing.....	11.9	7.1	11.6	5.6	13.3	27.1	7.8	9.3	7.7	29.7
20 Food and kindred products.....	8.4	6.1	15.6	1.7	7.2	26.5	3.6	3.1	3.0	16.5
22 Textile-mill products.....	22.1	44.2	(*)	3.0	(*)	25.5	14.3	3.6		40.8
23 Apparel and other finished fabric products.....	12.6	19.2	3.1	1.4	19.6	33.0	6.1	13.9	(*)	42.2
24 Lumber and timber basic products.....	6.9	1.7	8.1	1.5	12.8	23.1	5.4	7.4	16.0	18.6
25 Furniture and finished lumber products.....	10.6	5.1	6.7	1.3	16.7	31.0	9.2	9.8	3.8	32.4
26 Paper and allied products.....	9.5	(*)	(*)	1.4	(*)	17.8	11.5	2.9	(*)	22.1
27 Printing, publishing, and allied industries.....	1.0	0	3.4	.3	.6	4.8	.7	1.3	0	1.0
28 Chemicals and allied products.....	8.6	9.8	14.9	3.1	11.1	26.2	3.1	4.2	12.1	16.5
29 Products of petroleum and coal.....	9.9	(*)	(*)	1.9	(*)	(*)	(*)	(*)	6.5	(*)
30 Rubber products.....	13.1	(*)	(*)	0	(*)	(*)	(*)	(*)	(*)	(*)
31 Leather and leather products.....	18.2			4.1	(*)	21.2	15.4	10.8		48.0
32 Stone, clay, and glass products.....	6.8	8.2	7.8	2.9	9.8	21.0	3.9	3.3	5.6	9.4
19, 33 Ordnance, iron and steel and their products.....	24.3	30.5	22.6	16.4	30.6	34.4	26.3	10.8	19.1	57.0
34 Transportation equipment (except automobiles).....	39.9	(*)	23.3	24.5	(*)	36.6	(*)	(*)	(*)	64.7
35 Nonferrous metals and their products.....	11.6	(*)	0	6.1	0	40.8	7.0	9.9	0	37.3
36 Electrical machinery.....	26.5	(*)	(*)	15.2	(*)	(*)	30.2	41.7	(*)	60.7
37 Machinery (except electrical).....	29.3	(*)	(*)	16.8	29.5	52.5	18.0	26.1	21.8	67.2
38 Automobiles and automobile equipment.....	19.3	(*)	0	11.9	(*)	(*)	(*)	6.9	(*)	50.0
39 Miscellaneous manufacturing industries.....	9.3	(*)	20.7	4.5	16.0	23.0	5.0	12.2	0	21.1
Transportation, communication, and other public utilities.....	9.0	9.0	21.3	1.8	5.1	31.4	1.1	6.8	5.4	14.8
Wholesale and retail trade.....	3.5	1.4	7.8	.2	1.7	18.9	.1	2.6	3.0	2.9
Finance, insurance, and real estate.....	1.7	.7	4.1	.1	.5	11.1	.1	1.2	1.4	1.4
Service industries.....	3.2	2.1	8.7	.3	2.0	21.4	.1	4.4	3.5	3.0
Establishments not elsewhere classified.....	24.9		0	0		0	0	(*)	(*)	39.8

¹ Figures for major industry group not available in Wisconsin.

² Not computed; less than 25 active accounts.

current year's pay roll to determine employer liability for war-risk tax; (4) whether employers with pay-roll increases as small as 50 percent were liable for war-risk contributions; and (5) whether new firms were subject to the war-risk tax.

None of these factors by itself accounts for the sharp variation between States; it is fairly clear, however, that together they explain most of the interstate differences. Maryland, Florida, Ohio, and Wisconsin,⁸ in that order, had the highest proportions of firms subject to war-risk taxation. These States, with 13.6 to 26.3 percent of their employers assessed war-risk taxes, were all affected by four of the five selected factors. While Wisconsin had a limitation on the minimum size of firms subject to the war-risk tax (exclusive of the postwar reserve tax for which all were liable), only firms with annual pay rolls below \$30,000 were excluded. Florida required a pay-roll increase of more than 50 percent for liability under its war-risk provisions;

⁸ Excluding firms subject only to the 0.5-percent special postwar reserve tax.

however, it assessed the tax on employers whose pay rolls had risen at least 100 percent above 1939 levels. All other States with a 1-year base period used 1940, a year of higher pay rolls, as the base.

The five States with less than 10 percent of their employers taxed at war-risk rates were affected by only one or two of the selected factors. Alabama and Oklahoma were the only States in this group whose 1943 pay rolls had risen at least 90 percent above 1940 levels. In fact, Alabama's pay roll had experienced the greatest increase (141.0 percent) among the war-risk States, and Oklahoma's pay-roll rise (115.6 percent) was close behind (table 6). Specific provisions of the war-risk amendments in these States, rather than the economic conditions in the States, resulted in relatively small proportions of war-risk employers.

Under the Alabama law, an employer was liable for the special tax if his current taxable pay roll was at least \$100,000 and exceeded by a specified amount his average annual taxable pay roll for a period of years. Firms without a taxable pay roll in

the base period were exempt from the war-risk provisions. As a result, newly subject firms and small firms with the required increases in pay roll were excluded. Furthermore, since the average pay roll included the war years rather than a single pre-war year, many Alabama employers who would have been liable for the war-risk tax in States with a single prewar year as the base period were not subject under the Alabama law.

Relatively few Oklahoma employers paid the special tax, since a 200-percent increase in taxable wages over the lowest annual taxable pay roll during the 3 preceding years was required before a firm became subject to the war-risk tax. In addition, as in Alabama, all firms without pay rolls in the base period were exempt from the war-risk provisions.

Firms in All Industries Taxed at War-Risk Rates

While the largest proportions of firms subject to the war-risk tax were in the industries most directly connected with production of implements of war, the special taxes hit a substantial proportion of firms in all in-

Table 8.—Percent of accounts assigned war-risk rates, by industry division, 9 States, 1944

Industrial classification	Percent of accounts assigned war-risk rates									
	Total, 9 States ¹	Alabama	Florida	Illinois	Iowa	Maryland	Minnesota	Ohio	Oklahoma	Wisconsin
Total.....	11.0	2.8	16.1	6.4	7.7	26.3	1.1	15.9	9.1	13.6
Agriculture, forestry, and fishing.....										
Mining.....	12.3	0	19.0	5.9	13.2	9.4	1.0	19.5	10.3	20.7
10. Metal mining.....	15.6	5.6	21.5	4.1	10.7	31.2	27.6	24.4	14.4	19.3
12. Bituminous and other.....	28.8	0	0	(2)			46.3	(2)	11.3	(2)
14. Nonmetallic mining and quarrying.....	19.5	7.8		2.9	10.1	36.8	0	35.7	13.1	
Construction.....	13.6	2.6	22.7	9.9	12.5	26.5	5.7	16.3	7.1	
12.2	2.5	13.8	4.7	9.3	20.7	1.8	20.9	12.9	11.2	
15. Building construction, general contractors.....	12.2	2.2	9.9	7.3	13.1	17.8	2.1	19.4	16.4	10.4
16. General contractors, other than building.....	14.8	3.9	18.6	5.0	11.4	26.4	4.2	28.9	13.5	10.5
17. Construction, special-trade contractors.....	11.6	1.3	13.8	4.0	6.1	20.7	1.2	20.2	9.7	11.8
Manufacturing.....	19.8	4.9	20.0	14.3	21.9	34.4	7.3	23.4	12.4	37.1
20. Food and kindred products.....	14.8	3.9	22.4	8.1	13.8	40.8	2.9	13.1	5.8	26.0
22. Textile-mill products.....	25.0	11.2	(2)	21.3	(2)	29.1	15.2	28.6	0	50.0
23. Apparel and other finished fabric products.....	18.3	29.0	16.7	5.8	40.7	36.3	6.4	26.4	(2)	44.9
24. Lumber and timber basic products.....	9.8	1.4	16.8	8.9	12.8	22.1	4.5	20.7	4.9	25.7
25. Furniture and finished lumber products.....	15.8	1.8	12.4	7.2	28.3	26.4	9.0	18.2	3.8	37.8
26. Paper and allied products.....	18.5	(2)	(2)	14.1	(2)	31.8	13.2	8.1	(2)	36.5
27. Printing, publishing, and allied industries.....	3.3	0	6.0	2.9	1.2	10.7	.7	3.5	2.0	4.2
28. Chemicals and allied products.....	18.4	11.7	30.4	13.7	24.6	44.1	3.3	16.0	23.8	27.2
29. Products of petroleum and coal.....	10.7	0	0	3.9		(2)	(2)	18.8	0	(2)
30. Rubber products.....	17.6	(2)	0	4.3	(2)	(2)	(2)	20.0	0	(2)
31. Leather and leather products.....	26.1	0	(2)	14.2	(2)	30.0	11.1	16.5	0	54.6
32. Stone, clay, and glass products.....	12.6	3.5	16.7	13.2	10.2	24.4	2.8	14.9	2.6	11.3
33. Ordnance, iron and steel and their products.....	34.7	17.4	36.1	20.1	40.4	49.1	25.0	34.9	40.0	61.0
34. Transportation equipment (except automobiles).....	44.5	(2)	28.1	25.0	(2)	48.5	(2)	58.8	(2)	60.0
35. Nonferrous metals and their products.....	25.7	(2)	(2)	16.7	(2)	42.5	8.3	32.2	(2)	48.8
36. Electrical machinery.....	38.5	(2)	(2)	31.3	(2)	(2)	27.3	40.7	(2)	68.3
37. Machinery (except electrical).....	38.3	(2)	(2)	27.8	43.2	47.6	15.7	40.7	30.6	70.4
38. Automobiles and automobile equipment.....	37.5	(2)	(2)	27.1	(2)	(2)	(2)	40.5	(2)	70.3
39. Miscellaneous manufacturing industries.....	20.0	(2)	21.4	15.0	26.3	29.4	4.1	26.3	0	31.4
Transportation, communication, and other public utilities.....	17.0	8.3	27.5	11.3	10.3	35.6	1.0	22.1	14.7	21.3
Wholesale and retail trade.....	8.8	1.2	14.7	3.6	3.6	26.4	.1	13.8	6.3	5.0
Finance, insurance, and real estate.....	2.8	.3	8.3	1.8	1.2	12.9	.1	2.7	4.1	1.5
Service industries.....	8.0	1.7	17.1	4.2	4.2	26.5	.1	13.6	8.1	6.7
Establishments not elsewhere classified.....	8.7		0	0		(2)	0	3.5	0	(2)

¹ Excludes Missouri; data not available.

² Not computed; less than 25 active accounts.

dustries in the war-risk States. In both 1943 and 1944, higher proportions of firms in the manufacturing industry division (11.9 and 19.8 percent, respectively) than in any other division paid war-risk taxes (tables 7 and 8). During 1944, however, 8.0 percent of the firms in the service division and 8.8 percent of the wholesale and retail-trade firms paid the special taxes.

The manufacturing division includes the major industry groups that played the largest part in turning out the materials of war, such as ordnance, iron and steel, transportation equipment, electrical and nonelectrical machinery, and textile-mill products. Well over one-fifth of the firms in each of these major industry groups in the war-risk States paid war-risk taxes in 1943 and 1944. Firms manufacturing transportation equipment⁶ (aircraft, ships, and so on, but not automobiles) were assessed war-risk rates more frequently than other groups—39.9 percent in 1943 and 44.5 percent in 1944. This industry had the most dramatic wartime expansion, as old, established firms mushroomed and new plants and yards sprang up almost overnight; taxable pay rolls of that part of the industry located in the 10 States with war-risk taxes in 1944 soared by 1943 to almost 20 times the 1940 level. Firms producing electrical and nonelectrical equipment⁷ were assessed war-risk rates only slightly less frequently—26.5 and 29.3 percent of the accounts in 1943 and 38.5 and 38.3 percent in 1944, respectively. While these were major war industries, their expansion in the war-risk States was not nearly so sharp as that of the aircraft and shipbuilding industries. Pay-roll increases from 1940 to 1943 in the machinery-producing groups amounted to about 150 percent.

In general, for all war-risk States combined, there was a fairly strong relationship between an industry's 1940-43 pay-roll increase and the proportion of its employers subject to war-risk taxes. A notable exception to the general trend is the chemical

and allied products group, in which the pay-roll rise was second largest—about 300 percent—but only 8.6 percent of the firms in 1943 and only 18.4 percent in 1944 were subject to war-risk taxes.

Maryland's surprisingly high proportion of war-risk liability among trade and service industries—more than one-fourth in 1944—highlights what may be called the nonwar impact of war-risk taxes. It is true that many firms not engaged in direct war production expanded along with the general wartime expansion. Many of these firms, however—unlike those in such industries as production of aircraft and ships, which contracted with the same or greater speed than they expanded—had a peacetime outlook similar to their wartime outlook.

The general impact of war-risk taxes in all phases of the economy of the war-risk States is clearly indicated by the percentages of war-risk accounts in the different industry divisions in each State. Manufacturing had the highest proportion in only four States in 1943 and in only three States in 1944. Firms in the transportation, communication, and utilities division were assessed war-risk rates most frequently in two States in 1943 and in four States in 1944. Mining firms led in two States each year. And in 1943 the agriculture, forestry, and fishing division had the highest proportion of war-risk accounts in Iowa.

Large Firms Taxed at War-Risk Rates Most Frequently

Only a few States—one in 1943 and four in 1944—submitted data which would reveal the varying impact of the war-risk amendments on firms of different sizes. Pay-roll data submitted by these States for war-risk and all active accounts are not precisely comparable since, for war-risk accounts, the pay roll reported was generally for the current year, whereas the pay roll for all active accounts was for some prior year or an average of the 3 preceding years. The rapid rise in pay rolls during the war has undoubtedly resulted in some overstatement of the proportion of war-

risk accounts among the larger firms. Conversely, the proportions for the smaller firms probably have been understated. As a result, the data are biased in the direction of indicating a stronger relationship between size-of-firm and war-risk liability than actually exists; even if this bias were eliminated, however, the relationship would remain to some extent.

Size-of-firm data for both 1943 and 1944 are available for Alabama only. No small Alabama firms were taxed at war-risk rates; only firms with pay rolls of \$100,000 or more were subject. In both years a larger percentage of the firms with pay rolls of \$1 million or more than of those with less than \$1 million were subject to the added tax—95.6 percent compared with 48.0 percent in 1943 and 39.3 percent compared with 27.1 percent in 1944. Among the Iowa firms in 1944, less than one-fourth of those with pay rolls under \$1 million paid war-risk taxes, while over one-third of the firms with pay rolls of \$1 million or more paid the extra tax. In Wisconsin during 1944, only 44.2 percent of firms with pay rolls of \$50,000-\$9,999 were subject to war-risk taxes, whereas 67.9 percent of those with pay rolls of \$1 million or more paid these taxes.

The large firms, in general, were more frequently subject to war-risk taxes than the smaller firms for several reasons in addition to the size-of-firm provisions included in the war-risk amendments. Some of these firms were large in 1943 and 1944 because their pay rolls had increased rapidly over pay rolls in the prewar years; such firms would, of course, generally pay contributions at the war-risk rates. In general, firms which were most likely candidates for war-risk taxation were those in the rapidly expanded war-production industries—usually the heavy industries (iron and steel, ordnance, automobiles, and so on) which are normally the large-sized firms. Also, many of the newly established war-production firms were making heavy war equipment in large quantities and therefore had greater-than-average pay rolls. In six of the war-risk States, such new firms were automatically subject to the extra tax.

⁶ Major industry group 34.

⁷ Major industry groups 36 and 37.

Employment Security

Unemployment Claims and Benefits

State Programs

Initial claims for unemployment insurance in July dropped from 763,000 to 699,000, but continued claims rose from 5.4 million to 5.5 million (tables 2 and 3). The chief factor in the increase was the marked rise in New York as additional persons reached compensable status in the new benefit year. The initial claims include 35,400 agency-initiated claims made by Washington for claimants already in compensable status at the beginning of their new benefit year, which do not represent new unemployment. On the whole, the rate of decline in claims diminished in June and July. This slowing down may be temporary, a result of slackening in the pace of reconversion, or it may represent an approach to equilibrium in the labor market. The effect of the removal of price controls on employment, and consequently on claims for unemployment insurance, was relatively slight. In general, the over-all decline in the claims load was temporarily slowed down by price-control uncertainties.

The decline in initial claims in July was highlighted by a decrease of 64,700 in New York; 46,300 in Michigan; and 39,000 in Pennsylvania (table 2). The decline in New York was due to the large number of initial claims received in June, at the beginning of the new benefit year. Part of Michigan's decline was the result of fewer claimants filing for predetermination of benefit rights in a benefit year beginning July 1. Among the 32 States reporting July increases in initial claims, Arkansas, Missouri, New Jersey, and Washington reported increases of more than 5,000; in Arkansas and Washington, new benefit years were primarily responsible for the increases.

In addition to the increase of 240,700 in continued claims in New York, a rise of 30,900 was reported by Massachusetts (table 3). In Alabama the jump of 22,300 was due to the return to single-week reporting during the first week of July. All the significant

declines in continued claims occurred in the larger industrial States. Michigan led with a decrease from 454,700 to 360,300, part of which was due to the call-back of workers in a large automobile plant and part to the exhaustion of benefit rights by 13,400 persons. Ohio reported the second largest decrease in continued claims—35,500. In Illinois the decline of 21,400 reflected accelerated industrial activity after curtailments due directly and indirectly to labor disputes. Indiana and California reported decreases of 17,300 and 15,600, respectively.

The average weekly number of beneficiaries continued its downward trend of the past 5 months, falling to 1,103,000 during July. Weekly data on the number of recipients for all unemployment and total unemployment are available for the first time for this month (table 5). The July 4 holiday accounts for the fluctuation in the week of July 13, when the number of beneficiaries jumped from 914,000 to 1,245,000, declining consistently thereafter to 1,108,000 in the week of July 27. Nearly half the States followed the national trend.

The total amount of benefit payments dropped for the fourth successive month and reached \$88.4 million in July, about \$4.6 million less than in

June (table 4). This figure represents compensation for 4.9 million weeks of all types of unemployment. Approximately 44 percent of the total amount was paid to women. New York had the largest benefit expenditure, \$17.2 million, an increase of \$5.2 million over the amount expended in June; more than half this amount was paid to unemployed women. Missouri's total rose from \$1,617,200 to \$1,730,000; it was the only other State with an increase of more than \$100,000. Both Michigan and Washington reported declines of more than \$1 million.

The average check for benefits for total unemployment was \$18.22 in July (table 4), as compared with \$18.39 in June. In two States—New Jersey and Vermont—the average check for women was greater than that for men, and in Michigan and New York it was the same. In Texas, on the other hand, the average for men was \$15.36 and for women, \$8.43.

On July 31, State funds available for the payment of benefits totaled more than \$6.7 billion, approximately \$4.4 million more than was on hand a month earlier (table 1). During the 12 months ended July 31, which covered the reconversion following the Japanese surrender, the total reserve available for benefits has dropped less than 2 percent.

During the week of July 13, the unemployment reflected by con-

Table 1.—Summary of unemployment compensation operations, July 1946

Item	Number or amount	Amount of change from—	
		June 1946	July 1945
Initial claims—			
New	1,699,000	−64,000	+431,000
Additional ¹	1,501,000	−78,000	+298,000
Continued claims—	1,198,600	+15,000	+133,000
Waiting-period ²	1,505,000	+91,000	+4,425,000
Compensable	1,474,000	−6,000	+289,000
Weeks compensated	1,5,031,000	+96,000	+4,136,000
Total unemployment	4,892,000	−196,000	+4,088,000
Other than total unemployment ³	4,745,000	−163,000	+3,990,000
First payments—			
Exhaustions	1,147,000	−33,000	+99,000
Weekly average beneficiaries ⁴	383,000	−138,000	+259,000
Benefits paid ⁵	1,155,000	−5,000	+146,000
Benefits paid since first payable ⁶	1,102,750	−304,000	+917,000
Funds available as of July 31 ⁷	\$88,371,000	−\$4,611,000	+\$74,019,000
	\$3,331,701,771		
	\$6,736,812,274	+\$4,390,139	−\$106,625,286

¹ Includes estimated data for South Dakota.

² Excludes Ohio and Texas, which have no provision for filing additional claims.

³ Excludes Maryland, which has no provision for filing waiting-period claims.

⁴ Includes estimated data for California, District of Columbia, Indiana, and South Dakota; also Pennsylvania for total and other than total unemployment.

⁵ Excludes Montana, which has no provision for payment for other than total unemployment; also Pennsylvania before January 1946.

ficiaries was computed from weeks compensated in the calendar month; for July 1946, this number was computed from weeks compensated in the weeks ended during the month.

⁶ Gross; not adjusted for voided benefit checks and transfers under interstate combined wage plan.

⁷ Net; adjusted for voided benefit checks and transfers under interstate combined wage plan. Includes California, Kentucky, Missouri, and Washington as of June 30, 1946.

⁸ Includes California, Kentucky, Missouri, and Washington as of June 30, 1946.

tinued claims represented 4.6 percent of average covered employment in 1945, as compared with 5.1 percent in June and 5.2 percent in May. Among the States with the greatest

declines were Michigan, where the ratio fell from 10.2 to 7.3 percent; Rhode Island, from 7.9 to 6.6 percent; and Oregon, from 6.9 to 3.9 percent. Only four States—Maine, New York,

Pennsylvania, and Texas—had higher ratios than in June. In California, Michigan, and Oklahoma the ratios were 7.3, 7.3, and 7.0 percent respectively, though each was lower than

Table 2.—Initial claims received in local offices, by State, July 1946

[Data reported by State agencies; corrected to Aug. 15, 1946]

Region and State	Total ¹			New	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total
		June 1946	July 1945		
Total ²	699,000	-64,000	+431,000	300,000	8.4
Region I:					
Conn.	10,754	+3,802	+2,648	5,321	5.2
Maine	3,381	+663	+1,759	1,384	7.1
Mass.	27,060	+3,510	+16,156	12,734	3.7
N. H.	1,026	+87	+670	511	27.6
R. I.	6,492	+2,021	+1,268	2,475	4.3
Vt.	401	-6	+283	225	27.9
Region II-III:					
Del.	1,185	+142	+365	409	15.6
N. J.	31,559	+5,181	+17,098	15,121	5.0
N. Y.	126,329	-64,660	+85,354	59,706	2.8
Pa.	52,474	-38,995	+38,030	20,059	6.3
Region IV:					
D. C.	1,158	+100	+962	472	25.2
Md.	8,941	-307	+7,223	3,899	7.4
N. C.	5,903	+1,222	+3,949	3,505	13.6
Va.	4,944	-419	+4,293	2,656	13.9
W. Va.	10,515	+1,337	+6,835	3,276	12.8
Region V:					
Ky.	6,838	-60	+4,401	2,414	35.5
Mich.	38,808	-46,345	+1,688	16,748	4.2
Ohio	16,362	-3,253	+6,499	7,057	8.4
Region VI:					
Ill.	45,956	-1,607	+17,753	21,092	6.5
Ind.	15,761	-1,083	+6,265	6,482	5.7
Wis.	5,738	-1,541	+3,217	2,759	7.2
Region VII:					
Ala.	9,988	-485	+6,042	2,604	10.3
Fla.	10,143	+1,806	+5,336	5,066	17.1
Ga.	5,588	+266	+3,717	2,562	10.7
Miss.	3,620	+1,164	+2,374	1,197	23.3
S. C.	3,032	+513	+2,147	1,119	16.0
Tenn.	8,967	+1,045	+5,939	4,040	17.8
Region VIII:					
Iowa	3,648	-661	+650	1,846	17.8
Minn.	4,782	-101	+3,414	1,981	23.2
Nebr.	1,749	+119	+1,379	830	19.2
N. Dak. ⁴	431	+68	+389	219	71.5
Region IX:					
Ark.	12,760	+7,946	+11,300	5,045	18.9
Kans.	5,172	-68	+4,078	2,154	28.0
Mo.	24,903	+6,318	+17,691	9,564	12.9
Oklahoma	8,333	+1,106	+6,575	2,547	26.7
Region X:					
La.	9,782	+1,420	+7,405	2,845	15.7
N. Mex.	729	+137	+636	232	59.0
Tex.	12,954	+1,052	+9,718	4,741	17.2
Region XI:					
Colo.	2,020	-265	+1,835	846	40.9
Idaho	1,104	+1,156	+588	824	34.5
Mont.	1,274	+210	+1,158	625	55.2
Utah	4,927	+3,480	+4,702	109	7.7
Wyo.	305	-19	+278	162	50.8
Region XII:					
Ariz.	2,111	+139	+1,212	802	39.0
Calif.	76,046	+4,156	+48,916	36,095	7.8
Nev.	651	+95	+590	312	51.3
Oreg.	5,939	+43	+4,607	2,375	18.5
Wash.	55,438	+46,065	+53,313	21,182	2.0
Regions XIII and XIV:					
Alaska	31	-45	+18	13	25.8
Hawaii	47	-24	+45	14	19.1

¹ Includes additional claims except in Ohio and Texas, which have no provisions for filing such claims.

² Includes estimates for South Dakota and estimate of new claims filed by women in Utah; data not reported.

³ Since Wisconsin has no provision for a benefit year, a new claim is a claim requiring a determination of benefit amount and duration, as well as eligibility for benefits, on a per employer basis.

⁴ Data not reported.

Table 3.—Continued claims received in local offices, by State, July 1946

[Data reported by State agencies; corrected to Aug. 15, 1946]

Region and State	Total ¹			Compensable	
	All claimants	Amount of change from—		Women claimants	Inter-state as percent of total ²
		June 1946	July 1945		
Total ¹	5,505,000	+91,000	+4,425,000	2,452,000	9.6
Region I:					
Conn.	55,856	+5,676	+27,166	24,800	6.8
Maine	41,220	+6,423	+31,667	14,313	6.5
Mass.	266,174	+30,901	+232,024	113,080	3.6
N. H.	8,421	+711	+6,946	4,156	26.7
R. I.	67,141	+856	+52,383	19,169	4.0
Vt.	6,420	-315	+5,500	4,072	22.2
Region II-III:					
Del.	8,493	-610	+5,321	3,813	21.8
N. J.	292,214	-4,008	+241,969	127,995	4.3
N. Y.	1,017,067	+240,734	+819,357	511,339	2.8
Pa.	512,070	-108	+464,157	182,602	6.6
Region IV:					
D. C.	11,626	+2,074	+10,579	3,705	14.6
Md.	95,188	-11,418	+55,674	38,544	2.6
N. C.	46,902	+4,355	+39,294	31,271	17.0
Va.	72,544	+359	+67,520	43,896	12.6
W. Va.	85,749	-705	+72,820	25,579	26.1
Region V:					
Ky.	82,372	-2,589	+68,259	29,016	40.0
Mich.	360,340	+94,379	+151,542	192,020	3.1
Ohio	228,978	-35,478	+207,990	98,877	5.4
Region VI:					
Ill.	455,713	-21,380	+356,845	205,772	4.7
Ind.	83,273	-17,326	+54,821	33,444	9.5
Wis.	40,874	-10,748	+33,379	21,315	12.1
Region VII:					
Ala.	66,382	+22,306	+54,130	19,671	14.5
Fla.	55,057	+9,677	+36,752	23,379	25.3
Ga.	41,406	+57	+32,982	20,221	13.5
Miss.	23,491	+2,878	+17,196	9,487	34.8
S. C.	18,923	+2,025	+15,295	8,467	22.3
Tenn.	90,618	+1,499	+76,539	40,641	18.1
Region VIII:					
Iowa	29,268	+1,511	+23,731	13,190	23.1
Minn.	33,394	-4,150	+27,365	12,355	19.2
Nebr.	12,762	-16	+11,534	6,761	20.5
N. Dak.	3,790	-83	+3,605	1,960	69.3
S. Dak. ⁴					
Region IX:					
Ark.	50,191	-498	+45,561	20,081	57.1
Kans.	45,373	-5,194	+38,672	20,194	27.7
Mo.	150,015	+13,032	+133,231	56,666	21.7
Oklahoma	54,205	-787	+46,540	19,965	50.6
Region X:					
La.	54,029	+5,493	+45,873	15,583	19.8
N. Mex.	5,641	-263	+5,253	1,901	76.1
Tex.	65,599	-1,404	+48,618	25,004	30.8
Region XI:					
Colo.	18,094	+396	+16,897	8,369	31.3
Idaho	6,247	-127	+4,902	4,511	5,619
Mont.	10,187	-2,175	+5,394	4,979	39.4
Utah	13,195	-2,622	+12,849	1,098	17.5
Wyo.	1,949	-1,294	+1,842	1,032	1,795
Region XII:					
Ariz.	12,046	-1,135	+8,958	5,181	52.8
Calif.	617,560	-15,561	+486,878	303,101	6.6
Nev.	3,937	-31	+3,743	1,988	45.8
Oreg.	50,921	-14,021	+46,084	22,099	14.9
Wash.	135,969	-3,899	+131,875	53,514	5.4
Regions XIII and XIV:					
Alaska	134	-186	+81	82	3.0
Hawaii	198	-259	+196	103	55.1

¹ Includes waiting-period claims except in Maryland, which has no provision for filing such claims.

² Total continued claims in some States include claims for more than 1 week.

³ Includes estimates for South Dakota and estimate of compensable claims filed by women in Utah; data not reported.

⁴ Data not reported.

in June. On the other hand, in six jurisdictions—the District of Columbia, New Hampshire, South Carolina, South Dakota, Wisconsin, and Wyoming—the ratios were less than 2 percent.

During July, 383,000 claimants, of whom 46 percent (175,000) were women, received their first benefit

check. During the month, 155,000 claimants, of whom 73,000 were women, exhausted all benefit rights. In terms of additions and deletions, there was a net addition of 228,000 to the group of claimants actually drawing unemployment insurance. Account should be taken, however, of the claimants who found employment

during the month as well as those who exhausted wage credits.

In four States—Maine, New Hampshire, New York, and Vermont—no claimant exhausted benefit rights¹ during the month. All these States

¹ One case reported as exhaustion of benefit rights represents a claimant for whom final payments were delayed.

Table 4.—Number of weeks compensated, amount of benefits paid, and average weekly payment for total unemployment, by State, July 1946

[Data reported by State agencies; corrected to Aug. 15, 1946]

Region and State	Weeks compensated for unemployment				Benefits paid ¹				Average weekly payment for total unemployment	
	All claimants	Amount of change from—		Women claimants	All claimants	Amount of change from—		Women claimants	All claimants	Women claimants
		June 1946	July 1945			June 1946	July 1945			
Total ²	4,892,000	-196,000	+4,068,000	2,196,000	\$88,371,000	-\$4,611,000	+\$74,019,000	\$38,446,000	\$18.22	\$17.64
Region I:										
Connecticut	85,190	+2,118	+66,701	32,423	1,777,087	+44,555	+1,414,485	502,369	20.98	18.40
Maine	33,567	-3,166	+25,644	(9)	526,853	-30,930	+409,893	(9)	16.00	(9)
Massachusetts	212,247	-9,532	+188,406	88,984	4,527,024	-155,917	+4,100,182	1,727,867	21.55	19.72
New Hampshire	5,350	-443	+4,385	2,698	71,428	-5,123	+60,304	32,901	13.54	12.40
Rhode Island	65,606	+2,186	+52,495	18,075	1,100,642	+36,171	+887,158	290,301	17.38	16.55
Vermont	4,921	-691	+4,376	3,126	79,874	-13,293	+72,019	55,900	16.66	18.56
Region II—III:										
Delaware	7,639	-378	+5,233	3,017	118,248	-9,184	+80,309	41,728	15.98	14.46
New Jersey	274,117	-38,776	+241,618	111,063	5,489,722	-817,854	+4,953,198	2,223,656	20.18	20.24
New York	887,056	+261,389	+723,070	478,212	17,155,736	+5,236,085	+13,973,804	9,248,657	19.34	19.34
Pennsylvania	448,042	-36,990	+417,976	(9)	8,040,758	-779,864	+7,523,963	(9)	(9)	(9)
Region IV:										
District of Columbia ³										
Maryland	118,153	-12,025	+107,584	49,028	2,195,569	-216,813	+2,024,594	872,627	18.87	18.18
North Carolina	38,964	-10,833	+34,190	28,047	432,328	-112,776	+387,537	268,728	11.21	9.69
Virginia	67,761	+913	+63,463	42,588	864,336	+32,584	+819,868	513,098	12.84	12.13
West Virginia	59,898	-5,424	+55,234	14,183	937,924	-113,526	+860,044	185,354	15.57	13.26
Region V:										
Kentucky	50,205	-4,638	+44,337	17,616	585,595	-81,812	+524,582	175,870	11.67	9.99
Michigan	307,748	-114,106	+139,422	158,952	6,207,177	-2,507,676	+2,843,884	3,206,007	20.15	20.15
Ohio	207,330	-37,818	+195,148	87,763	3,734,510	-780,145	+3,571,865	1,487,334	18.31	17.13
Region VI:										
Illinois	417,615	-19,795	+339,525	194,240	7,562,634	-456,208	+6,170,782	3,339,659	18.46	17.61
Indiana	—									
Wisconsin	29,627	-6,753	+25,684	15,076	506,574	-121,581	+448,983	240,759	17.40	16.25
Region VII:										
Alabama	64,622	+2,585	+56,167	18,193	1,022,159	+25,272	+917,432	237,783	15.92	12.99
Florida	35,722	+6,703	+23,922	16,571	491,642	+92,438	+333,926	216,212	13.87	13.15
Georgia	29,480	-350	+24,122	14,504	419,041	-15,248	+350,378	181,252	14.27	12.51
Mississippi	10,094	-955	+6,720	4,777	123,819	-15,880	+88,629	53,069	12.52	11.41
South Carolina	11,397	+449	+9,583	5,476	157,320	+9,214	+138,301	60,059	13.92	11.06
Tennessee	74,484	+5,200	+67,916	34,192	970,237	+61,396	+895,605	421,025	13.07	12.36
Region VIII:										
Iowa	19,945	-976	+17,107	6,312	301,061	-16,479	+262,117	85,413	15.42	14.00
Minnesota	43,851	-6,118	+40,694	13,682	714,945	-102,241	+669,347	290,185	16.51	14.86
Nebraska	10,779	-165	+10,140	5,823	167,328	-4,569	+160,066	87,637	15.79	15.35
North Dakota	1,221	+218	+1,174	575	19,376	+3,244	+18,888	7,938	16.15	14.08
South Dakota ²										
Region IX:										
Arkansas	12,435	-3,377	+11,011	5,465	151,787	-37,052	+135,387	61,737	12.26	11.35
Kansas	40,847	-9,089	+37,488	17,077	601,631	-140,063	+554,520	243,240	14.90	14.42
Missouri	106,385	-7,924	+97,257	43,249	1,729,981	+112,831	+1,396,019	630,686	16.38	14.73
Oklahoma	42,726	-6,096	+39,139	15,436	708,075	-107,846	+640,779	243,922	16.57	15.96
Region X:										
Louisiana	59,438	-2,899	+53,427	15,241	896,075	-57,996	+804,097	197,473	15.43	13.34
New Mexico	1,712	-54	+1,617	544	22,423	-1,005	+21,370	6,523	13.13	12.00
Texas	76,028	-11,426	+67,974	22,634	1,153,006	-201,808	+1,048,534	304,942	15.36	8.43
Region XI:										
Colorado	14,015	-1,627	+13,287	6,741	194,191	+22,206	+184,344	90,925	13.98	13.57
Idaho	3,578	+906	+2,991	2,626	50,292	+12,817	+45,434	34,731	14.11	13.27
Montana	5,480	-1,743	+5,030	2,744	70,553	-23,748	+65,337	31,713	12.87	11.56
Utah	8,143	-6,347	+7,879	2,865	180,791	-138,623	+175,593	57,689	22.67	20.86
Wyoming	1,586	-78	+1,554	667	29,680	-1,336	+29,090	11,907	19.06	18.19
Region XII:										
Arizona	6,962	-1,832	+5,291	2,809	98,589	-26,734	+74,170	38,266	14.11	13.49
California ⁴	—									
Nevada	3,204	+338	+3,052	1,539	56,962	+6,027	+54,757	26,116	17.83	17.00
Oregon	50,014	-38,859	+46,250	21,399	831,104	-670,672	+778,314	341,313	16.81	16.15
Washington	110,355	-60,747	+107,999	41,568	2,332,557	-1,301,135	+2,290,107	778,894	21.25	18.83
Regions XIII and XIV:										
Alaska	1,131	-232	+1,042	208	17,780	-3,626	+16,427	3,191	15.84	15.44
Hawaii	504	-167	+501	48	10,553	-2,627	+10,519	2,399	21.13	17.74

¹ Gross: not adjusted for voided benefit checks, and transfers under interstate combined wage plan.

² Includes estimates for California, District of Columbia, Indiana, and South

Dakota; also Maine and Pennsylvania for weeks compensated and benefits paid to women claimants.

³ Data not available.

have a uniform benefit year with a uniform potential duration of benefits. In Maine, New Hampshire, and Vermont, the uniform benefit year begins early in April, with a duration of 20 weeks for all eligible claimants; New York's benefit year began June 3, with 26 weeks' duration for all eli-

gible claimants. At the end of July, therefore, sufficient weeks had not elapsed for claimants in these States to exhaust benefit rights.

The proportion of women among claimants who filed initial and compensable claims for State unemployment insurance has been higher than

the proportion of women in the labor force. According to the estimates of the Bureau of the Census for the week of July 13, 29 percent of the total civilian labor force and 31 percent of the employed nonagricultural workers were women. Women claimants for State unemployment insurance, on

Table 5.—Number of individuals¹ compensated for unemployment during weeks ended in July 1946

[Data reported by State agencies; corrected to Aug. 15, 1946]

Region and State	Weeks ended—							
	July 6	July 13	July 20	July 27	July 6	July 13	July 20	July 27
	For all types of unemployment				For total unemployment			
Total ²	914,000	1,245,000	1,144,000	1,108,000	883,000	1,210,000	1,108,000	1,075,000
Region I:								
Connecticut.....	16,330	18,297	21,394	17,800	16,096	18,056	21,035	17,564
Maine.....	3,008	12,053	7,932	7,527	2,886	10,567	7,203	6,966
Massachusetts ³								
New Hampshire.....	847	1,418	1,221	1,246	822	1,384	1,184	1,193
Rhode Island.....	14,301	16,196	13,638	13,348	13,196	14,866	12,433	12,186
Vermont.....	476	1,912	1,065	917	426	1,805	1,029	876
Region II-III:								
Delaware.....	1,606	1,725	1,608	1,505	1,557	1,643	1,478	1,325
New Jersey.....	26,650	95,384	54,555	61,995	26,120	93,680	53,519	60,908
New York.....	139,853	221,806	194,810	216,944	138,538	219,455	192,589	214,471
Pennsylvania.....	73,987	113,249	117,134	92,238	(?)	(?)	(?)	(?)
Region IV:								
District of Columbia ³	26,708	28,625	25,670	23,051	25,609	27,847	24,780	22,299
Maryland.....	8,279	10,009	9,304	8,053	8,101	9,741	9,015	7,790
North Carolina.....	11,294	17,107	15,643	15,196	11,027	16,832	15,296	14,949
Virginia.....	12,834	14,607	13,031	12,377	9,133	12,352	10,397	9,964
Region V:								
Kentucky.....	3,859	19,210	12,683	11,217	3,785	18,919	12,508	10,815
Michigan.....	56,109	63,704	60,283	72,709	51,800	60,634	66,886	70,463
Ohio.....	38,970	53,139	45,401	42,183	37,894	51,872	44,110	41,122
Region VI:								
Illinois.....	61,538	95,869	109,078	92,503	58,851	91,876	104,860	88,243
Indiana ³	6,740	7,395	6,681	6,209	6,263	6,927	6,210	5,749
Wisconsin.....								
Region VII:								
Alabama.....	12,580	16,365	16,935	13,495	12,088	15,904	16,410	13,036
Florida.....	5,769	6,960	9,531	8,790	5,613	6,797	9,339	8,597
Georgia.....	5,798	6,874	7,210	5,927	5,686	6,787	7,079	5,849
Mississippi.....	1,718	3,139	2,676	2,561	1,641	2,964	2,550	2,366
South Carolina.....	1,951	2,650	3,050	2,400	1,883	2,583	2,986	2,361
Tennessee.....	13,204	16,951	17,981	15,185	13,110	16,818	17,691	15,040
Region VIII:								
Iowa.....	4,079	4,767	4,601	4,084	3,845	4,496	4,229	3,782
Minnesota.....	8,230	12,462	9,847	9,065	7,917	12,038	9,276	8,612
Nebraska.....	2,523	2,350	2,413	2,100	2,366	2,202	2,286	1,987
North Dakota ³	91	484	311	217	87	449	290	198
South Dakota ³								
Region IX:								
Arkansas.....	2,522	2,886	1,957	3,183	2,493	2,822	1,934	3,146
Kansas.....	9,273	10,350	9,148	8,355	8,995	10,003	8,850	8,059
Missouri.....	21,028	26,250	21,732	20,775	26,026	22,924	21,342	
Oklahoma.....	8,557	8,501	12,029	13,639	8,264	8,218	11,761	13,139
Region X:								
Louisiana.....	11,810	15,082	13,335	13,826	11,374	14,307	12,084	13,366
New Mexico.....	406	403	380	375	403	395	376	373
Texas.....	15,604	22,102	16,660	13,794	15,012	21,278	16,076	13,310
Region XI:								
Colorado.....	2,581	3,300	3,262	3,191	2,515	3,147	3,084	3,098
Idaho.....	792	542	744	776	787	532	728	757
Montana.....	1,166	1,504	1,262	1,160	1,166	1,504	1,262	1,160
Utah.....	1,699	2,697	1,485	1,020	1,625	2,501	1,300	1,006
Wyoming.....	292	325	389	408	284	307	369	380
Region XII:								
Arizona.....	1,128	1,989	1,687	1,473	1,118	1,948	1,656	1,448
California ³	670	819	614	718	662	808	604	715
Nevada.....	12,435	11,786	11,907	10,935	12,083	11,377	11,491	10,616
Oregon.....	30,274	37,301	16,332	17,410	29,537	36,338	15,864	17,044
Regions XIII and XIV:								
Alaska.....	366	259	164	334	363	250	157	325
Hawaii.....	57	141	138	150	57	137	136	147

¹ The number of individuals is assumed to be identical with the number of weeks compensated. This assumption may result in a slight overstatement of the number of individuals.

² Includes estimates for California, District of Columbia, Indiana, Massachusetts, and South Dakota; also Pennsylvania for total unemployment.

Table 6.—Unemployment in week ended July 13, 1946, as reflected by continued claims for unemployment insurance¹ as percent of average monthly covered employment in 1945

Region and State	Claims ¹	Average monthly covered employment ² (in thousands)	Claims as percent of covered employment
Total.....	1,280,624	27,903.1	4.6
Region I:			
Connecticut.....	20,788	504.0	3.7
Maine.....	8,982	156.4	5.7
Massachusetts.....	56,317	1,314.7	4.3
New Hampshire.....	1,813	107.7	1.7
Rhode Island.....	14,058	212.5	6.6
Vermont.....	1,381	55.7	2.5
Region II-III:			
Delaware.....	1,964	75.7	2.6
New Jersey.....	66,007	1,116.0	5.9
New York.....	226,137	3,760.9	6.0
Pennsylvania.....	121,280	2,601.7	4.7
Region IV:			
District of Columbia.....	2,318	188.7	1.2
Maryland.....	21,502	465.8	4.6
North Carolina.....	11,456	524.1	2.2
Virginia.....	17,440	416.2	4.2
West Virginia.....	18,994	325.9	5.8
Region V:			
Kentucky.....	18,460	308.2	6.0
Michigan.....	98,394	1,354.8	7.3
Ohio.....	50,477	1,857.2	2.7
Region VI:			
Illinois.....	94,568	2,067.9	4.6
Indiana.....	17,205	779.1	2.2
Wisconsin.....	8,766	638.2	1.4
Region VII:			
Alabama.....	14,949	394.0	3.8
Florida.....	9,497	317.6	3.0
Georgia.....	9,564	453.5	2.1
Mississippi.....	5,150	155.0	3.3
South Carolina.....	4,292	247.1	1.7
Tennessee.....	20,692	465.8	4.4
Region VIII:			
Iowa.....	6,706	288.1	2.3
Minnesota.....	13,658	455.7	3.0
Nebraska.....	2,943	138.0	2.1
North Dakota.....	844	29.7	2.8
South Dakota.....	698	37.1	1.9
Region IX:			
Arkansas.....	12,829	193.0	6.6
Kansas.....	9,308	223.6	4.2
Missouri.....	33,382	698.4	4.8
Oklahoma.....	16,995	241.2	7.0
Region X:			
Louisiana.....	17,140	356.8	4.8
New Mexico.....	1,294	59.8	2.2
Texas.....	22,971	938.0	2.4
Region XI:			
Colorado.....	4,364	157.6	2.8
Idaho.....	1,301	66.6	2.0
Montana.....	2,126	71.1	3.0
Utah.....	5,337	96.1	3.5
Wyoming.....	466	39.6	1.2
Region XII:			
Arizona.....	2,553	81.4	3.1
California.....	144,537	1,973.1	7.3
Nevada.....	863	29.2	3.0
Oregon.....	11,007	279.0	3.9
Washington.....	28,700	505.6	5.7

¹ Estimated number of continued claims for week in which the 8th of the month falls.

² Represents workers in covered employment in the pay period of each type (weekly, semimonthly, etc.) ending nearest the 15th of the month.

the other hand, filed 43 percent of the initial claims during July and accounted for 47 percent of the claimants who exhausted benefit rights. This situation is due to the fact that many men who would otherwise be claimants for State unemployment benefits are drawing allowances under the veterans' program. If the claims received under the veterans' program were added to the claims for State benefits (allowing for veterans not included in the labor force by the Cen-

sus), the proportion of women claimants would be considerably lower and comparable to the census estimates. However, the proportion of women who exhausted benefit rights was greater than their representation in the labor force, since very few veterans have exhausted their allowance rights.

The States which had a monthly average of 1 million or more covered workers in 1945 reported that women accounted for the following percent-

ages of initial and compensable claims and exhaustions during July:

State	Percent of claims and exhaustions, July 1946		
	Initial claims	Compensable claims	Exhaustion of wage credits
United States	43	44	47
California	47	49	(1)
Illinois	46	45	60
Massachusetts	47	42	49
Michigan	43	53	65
New Jersey	48	43	43
New York	47	50	(2)
Ohio	43	43	49
Pennsylvania	38	36	(1)

¹ Data not available.

² No exhaustions since beginning of new benefit year on June 3, in which all insured claimants are eligible for 26 weeks.

Interstate Claims

The 52,400 interstate initial claims received during June represented a 19-percent decline from May (table 7). The decline in these interstate claims, however, was not as great as the decline in all initial claims, which were 32 percent below the May level. Forty-seven percent of the interstate initial claims and 43 percent of the continued were filed by women. These proportions are slightly higher than those for all initial and continued claims. A total of \$7.5 million was paid in interstate benefits to compensate for 410,100 weeks of unemployment. The 3 Pacific Coast States—California, Oregon, and Washington—accounted for 35 percent of the amount paid on interstate claims and 34 percent of the weeks compensated.

Agent-State operations constitute a large part of July claims-taking activities in several States, particularly States that are predominantly agricultural. More than half of all initial claims received in Montana, Nevada, New Mexico, North Dakota, and Wyoming, and 39 percent or more of all continued claims, were interstate claims taken as agent State.

Veterans' Readjustment Allowances

Initial claims filed for readjustment allowances by unemployed veterans during June resumed the downward trend which began at the end of January but was interrupted in May because of labor displacements. For July, however, the total number again rose, probably because of growing labor unrest. Forty-four States reported declines in June as compared with only 15 States in July.

Table 7.—*Interstate claims received, weeks compensated by interstate payments, and amount of interstate benefit payments, by liable State, June 1946*

[Data reported by State agencies; corrected to Aug. 7, 1946]

Region and liable State	Initial		Continued		Weeks compensated	Benefit payments
	Total	Women	Total	Women		
Total	52,387	24,391	510,546	224,948	1,410,131	\$7,523,418
Region I:						
Connecticut	1,024	462	12,390	5,708	10,043	212,811
Maine	133	72	979	521	(1)	(1)
Massachusetts	777	452	4,929	2,457	3,632	77,028
New Hampshire	89	51	677	269	580	7,587
Rhode Island	400	179	4,258	1,818	3,656	62,607
Vermont	57	25	744	265	523	9,740
Region II-III:						
Delaware	208	80	1,443	493	1,348	22,638
New Jersey	1,670	765	16,509	8,096	15,440	320,375
New York	4,282	2,364	18,647	10,585	21,006	407,019
Pennsylvania	2,268	953	15,337	5,536	11,449	211,589
Region IV:						
District of Columbia	454	245	2,887	1,888	1,740	30,725
Maryland	1,366	632	31,174	14,801	26,138	510,874
North Carolina	608	371	3,225	1,968	2,801	36,094
Virginia	1,014	500	7,517	3,793	5,882	75,107
West Virginia	427	127	4,710	1,313	3,514	55,963
Region V:						
Kentucky	400	145	4,795	2,027	2,265	28,645
Michigan	2,455	1,143	21,222	9,147	15,590	309,195
Ohio	1,970	767	26,460	10,101	17,915	348,618
Region VI:						
Illinois	3,390	1,574	26,258	13,595	26,377	497,085
Indiana	1,863	646	19,062	4,998	11,310	214,762
Wisconsin	366	145	2,978	1,045	2,383	44,337
Region VII:						
Alabama	681	264	6,777	1,716	5,008	91,270
Florida	1,261	718	7,207	3,667	4,533	63,640
Georgia	601	331	4,792	2,791	3,020	46,649
Mississippi	248	130	2,138	1,070	1,618	21,283
South Carolina	207	97	1,301	715	814	12,092
Tennessee	1,584	546	17,830	6,327	10,920	153,084
Region VIII:						
Iowa	263	140	1,487	515	1,171	18,847
Minnesota	317	153	3,044	1,584	2,057	33,994
Nebraska	259	169	2,560	1,600	1,805	28,329
North Dakota	32	19	172	69	124	2,138
South Dakota	32	24	159	109	87	1,076
Region IX:						
Arkansas	296	109	1,868	934	1,327	16,192
Kansas	1,517	581	16,069	6,016	15,427	235,504
Missouri	1,541	828	13,336	7,796	8,369	139,160
Oklahoma	828	428	6,484	3,333	5,130	85,246
Region X:						
Louisiana	644	274	5,501	2,198	4,525	72,747
New Mexico	110	43	958	383	655	8,654
Texas	1,731	686	14,305	5,164	13,168	213,324
Region XI:						
Colorado	416	222	2,829	1,736	2,070	28,399
Idaho	94	48	462	281	364	5,381
Montana	72	31	641	277	306	6,703
Utah	179	68	1,342	560	1,119	25,585
Wyoming	106	34	904	315	717	13,552
Region XII:						
Arizona	452	213	2,468	1,111	1,860	26,336
California	9,838	4,875	117,067	47,525	81,741	1,565,915
Nevada	182	92	1,345	692	960	16,814
Oregon	695	341	21,006	10,981	21,248	354,887
Washington	2,788	1,213	37,327	15,270	34,932	726,793
Regions XIII and XIV:						
Alaska	142	10	1,559	123	1,218	10,212
Hawaii	41	6	407	66	328	7,613

¹ Excludes Maine; data not reported.

Puerto Rico had the largest relative decrease for June—more than 50 percent. Kentucky attributed its decline to fewer separations from the armed forces, and Washington reported that seasonal employment in farm work, fishing, and logging offered opportunities to veterans.

Continued claims totaled 7.8 million in July, almost a million more than in June and the largest monthly figure on record. Forty States reported increases as against 2 in June. Relative increases over the total in

June ranged from less than 1 percent in Nebraska and Wisconsin to 54 percent in Hawaii, 78 percent in Texas, and 128 percent in Louisiana.

Although the total paid to unemployed veterans decreased for the month of June, allowances for the week of June 15 totaled almost \$39 million, more than for any other week in the entire history of the program. July payments of \$153 million brought cumulative disbursements under this program to slightly more than \$1 billion.

Disposition of Appeals Cases, July-December 1945

Appeals bodies of State employment security agencies disposed of 49,400 appeals cases during July-December 1945, a substantial increase from the 28,900 dispositions in the preceding 6 months. Appeals "cases" represent individual claims or groups of claims which an appeals authority has disposed of as a unit by: (1) rendering a decision, (2) referral to a higher or lower body, or (3) dismissal without

Table 8.—Claims and payments for veterans' unemployment allowances, June and July 1946¹

State ²	June					July				
	Initial claims	Continued claims			Payments	Initial claims	Continued claims			Payments
		Total	Because of unemployment	Because of illness or disability			Total	Because of unemployment	Because of illness or disability	
Total	602,317	6,982,107	6,928,001	54,106	7,524,077	\$150,063,346	659,557	7,827,585	7,759,703	67,882
Alabama	10,880	137,192	136,429	763	139,586	2,787,131	10,962	179,589	178,611	978
Alaska	77	378	370	8	400	7,945	38	298	298	0
Arizona	3,473	24,350	23,757	593	24,220	482,534	3,603	25,518	24,786	732
Arkansas	5,335	105,832	104,870	962	111,654	2,229,001	5,951	109,169	108,026	1,143
California	45,938	358,231	353,534	4,697	352,885	7,030,846	52,164	398,285	392,205	6,080
Colorado	4,664	33,437	33,082	355	33,535	665,190	4,713	32,825	32,249	576
Connecticut	9,229	89,947	88,762	1,185	93,370	1,860,928	12,106	102,032	100,711	1,321
Delaware	1,258	11,536	11,530	6	11,653	231,684	1,458	12,417	12,400	17
District of Columbia	3,007	28,561	28,126	435	28,770	573,954	3,026	34,889	34,365	524
Florida	10,778	81,086	80,317	769	76,561	1,529,198	11,971	99,525	98,464	1,061
Georgia	12,103	146,837	145,942	805	139,453	2,784,937	13,317	166,844	165,793	1,051
Hawaii	121	323	321	2	272	5,399	245	496	493	3
Idaho	887	5,595	5,491	104	4,225	83,939	609	3,223	3,106	117
Illinois	31,654	351,399	350,190	1,209	375,561	7,443,103	35,001	368,272	366,813	1,459
Indiana	14,905	158,071	157,334	737	164,765	3,277,270	15,914	164,878	164,068	790
Iowa	8,316	66,106	65,403	703	63,545	1,263,635	7,314	68,018	67,131	887
Kansas	7,279	70,435	69,441	994	73,042	1,452,861	8,125	65,989	64,829	1,160
Kentucky	10,863	223,313	228,736	577	243,961	4,874,040	10,385	239,229	238,625	604
Louisiana	10,315	66,449	66,439	10	118,205	2,415,662	10,332	151,194	150,994	200
Maine	3,523	42,879	42,467	412	50,949	1,012,826	4,343	54,410	53,909	601
Maryland	4,779	95,570	95,342	228	95,494	1,905,126	7,697	94,676	94,320	356
Massachusetts	25,189	307,465	304,864	2,601	320,035	6,500,056	31,555	372,396	369,128	3,268
Michigan	30,869	358,376	354,577	3,799	364,583	7,249,152	28,538	337,506	332,686	4,220
Minnesota	11,520	67,704	67,267	437	125,558	2,494,333	11,271	72,613	71,965	648
Mississippi	5,516	55,331	54,661	640	49,097	979,898	6,535	66,739	65,821	918
Missouri	17,334	233,683	232,492	1,191	244,785	4,878,386	19,484	268,285	266,700	1,585
Montana	2,197	17,672	17,531	141	18,348	365,449	1,941	16,385	16,225	160
Nebraska	2,560	17,924	17,783	141	19,311	382,260	2,471	17,960	17,823	137
Nevada	580	2,698	2,661	37	2,882	57,285	618	2,951	2,910	41
New Hampshire	2,387	14,983	14,789	194	15,559	309,075	2,822	15,594	15,402	192
New Jersey	23,201	325,538	323,635	1,903	338,951	6,768,320	26,616	374,629	372,223	2,406
New Mexico	2,173	20,510	20,235	275	19,681	392,845	2,777	22,176	21,917	259
New York	95,161	867,096	855,460	8,636	919,722	18,342,299	108,125	939,166	929,640	9,526
North Carolina	11,791	105,729	103,774	1,955	113,960	2,301,603	13,813	122,262	119,961	2,301
North Dakota	1,313	8,175	8,138	37	7,066	139,903	1,000	9,199	9,142	57
Ohio	19,591	307,304	305,830	1,474	311,424	6,196,279	19,060	326,144	325,873	2,271
Oklahoma	9,135	117,264	116,541	723	109,357	2,182,988	10,983	131,052	130,235	817
Oregon	5,514	34,885	34,561	324	38,816	771,922	5,944	33,316	33,013	303
Pennsylvania	48,891	854,429	850,466	3,963	948,599	18,954,718	51,830	911,187	906,088	5,099
Puerto Rico	3,889	125,455	122,797	2,658	142,539	2,849,554	2,601	143,909	141,208	2,701
Rhode Island	3,455	47,906	47,568	338	47,796	954,233	4,162	59,387	58,880	507
South Carolina	6,835	71,383	70,215	1,168	67,599	1,346,224	7,901	92,002	90,516	1,486
South Dakota	1,253	10,514	10,490	24	10,454	207,921	1,148	11,699	11,639	60
Tennessee	11,112	205,552	204,350	1,202	182,968	3,650,367	10,407	214,770	213,618	1,152
Texas	19,468	213,624	212,233	1,391	209,777	7,775,219	22,042	380,475	376,855	3,620
Utah	3,345	24,563	24,369	194	25,201	501,217	3,340	23,401	23,114	287
Vermont	946	7,008	6,901	107	6,746	133,234	950	6,666	6,586	77
Virginia	6,519	105,913	105,172	741	109,615	2,182,144	7,611	110,162	109,506	656
Washington	7,473	49,695	49,349	346	52,623	1,043,505	8,154	48,373	47,971	402
West Virginia	10,226	193,179	192,372	806	204,393	4,081,799	11,668	216,980	215,685	1,295
Wisconsin	12,943	104,516	103,632	884	106,053	2,104,861	14,408	104,590	103,394	1,196
Wyoming	547	2,506	2,374	132	2,473	48,958	498	1,838	1,763	75

¹ Represents activities under provisions of title V of the Servicemen's Readjustment Act of 1944; excludes data for self-employed veterans.

² Includes Puerto Rico.

Source: Data reported to Readjustment Allowance Service, Veterans Administration, by unemployment compensation agencies in 48 States, the District of Columbia, Alaska, and Hawaii, and by Veterans Administration for Puerto Rico.

decision. The number of cases thus understates the number of individual claimants involved. Included in the cases decided by the lower appeals authorities are initial cases on which no previous decision had been rendered and appeals by the claimant or employer from a decision of the initial authority, here classified as review cases. Most States have both a lower appeals authority and a higher

appeals authority. In States with only one appeals authority, the appeals dispositions are classified as lower authorities' cases.

Lower Appeals Authorities

The 44,900 cases disposed of by the lower appeals bodies during the second half of 1945 represented 19 cases per 1,000 initial determinations. Five States—Maryland, North Dakota,

South Carolina, Tennessee, and Texas—had more than 60 cases per 1,000 initial determinations. Eleven other States, with 42 percent of the total initial determinations, reported less than 15 cases per 1,000 initial determinations. Michigan and Pennsylvania, where the ratio was about the same as the national average, disposed of the greatest number of cases (5,800 and 4,100, respectively). Alaska and Hawaii disposed of no appeals.

An initial authority decision was reviewed in 38,300 cases. For the Nation as a whole, cases involving the issue "able and available for work" were the most prominent. This issue accounted for 43 percent of all review cases disposed of by lower authorities and represented more than two-thirds of such cases in 10 States and more than half in an additional 12.

The next largest number of appeals cases involved the issue "refusal of suitable work." The 8,000 suitable work cases represented 21 percent of all cases reviewed by lower appeals authorities. In 8 States—Arkansas, Colorado, Indiana, Minnesota, Montana, Nevada, Utah, and Wisconsin—more cases involved the suitable work issue than any other major issue. The District of Columbia, Idaho, and North Dakota had no suitable work cases; in each of these jurisdictions, however, lower appeals authorities disposed of less than 20 cases.

The 7,500 cases on the question of voluntary quit represented 19 percent of the lower authority review cases. This issue was prominent in 9 States.

The issue of misconduct was involved in 2,000 decisions and was minor in all but 7 States.

Lower appeals authorities rendered decisions on 4,400 "other" cases, which involved such issues as wage credits, fraud, claims and registration, coverage, labor disputes, and seasonality. In New York a large number of decisions were rendered on claims and registrations, coverage, and labor disputes. Practically all the unclassified cases in Pennsylvania represented labor disputes, and such cases were also prominent among "other" cases in California, Massachusetts, Missouri, Oregon, and Washington. More than 90 percent of the "other" cases in Maryland were pregnancy cases. In

Table 9.—Number of lower and higher appeals authority decisions and percent of cases disposed of within 30 and 90 days, by State, July–December 1945

[Data reported by State agencies; corrected to June 15, 1946]

Region and State	Lower appeals authority ¹			Higher appeals authority ¹		
	Number of decisions	Percent of cases disposed of within—		Number of decisions	Percent of cases disposed of within—	
		30 days	90 days		30 days	90 days
Total	38,321	26.5	89.2	3,760	18.6	84.7
Region I:						
Connecticut	1,291	25.1	73.0			
Maine	185	100.0	100.0	17	100.0	100.0
Massachusetts	3,062	6.8	95.4			
New Hampshire	101	68.3	99.0			
Rhode Island	477	97.7	100.0	72	100.0	100.0
Vermont	28	10.7	64.3	1	0	100.0
Region II–III:						
Delaware	151	49.0	100.0	14	100.0	100.0
New Jersey	1,539	10.2	36.6	215	14.9	81.9
New York	2,267	18.6	94.2	313	3.5	74.4
Pennsylvania	3,669	20.0	91.3	471	17.0	97.2
Region IV:						
District of Columbia	19	94.7	100.0	0		
Maryland	2,987	91.6	99.7	152	88.2	100.0
North Carolina	352	11.4	89.8	46	65.2	95.7
Virginia	82	61.0	98.8	10	100.0	100.0
West Virginia	731	20.2	96.0	89	19.1	95.5
Region V:						
Kentucky	312	7.4	90.7	32	87.5	96.9
Michigan	5,068	2.2	84.6	558	1.1	90.0
Ohio	1,130	1.6	78.5	161	37.3	88.2
Region VI:						
Illinois	2,537	66.2	98.9	584	2.4	86.3
Indiana	567	6.0	93.7	20	10.0	95.0
Wisconsin	238	27.3	99.2	35	94.3	94.3
Region VII:						
Alabama	1,016	42.0	98.7	48	0	29.2
Florida	182	39.0	95.6	9	11.1	33.3
Georgia	389	34.7	89.2	30	36.7	96.7
Mississippi	62	43.5	88.7	0		
South Carolina	223	91.5	100.0	19	100.0	
Tennessee	1,570	33.2	96.5	197	8.1	66.5
Region VIII:						
Iowa	389	12.1	89.7	33	12.1	93.9
Minnesota	245	49.4	98.0	4	75.0	100.0
Nebraska	114	14.0	100.0			
North Dakota	13	69.2	100.0	0		
South Dakota	9	22.2	55.6	2	50.0	100.0
Region IX:						
Arkansas	312	48.4	100.0	21	76.2	100.0
Kansas	748	9.6	95.5	24	100.0	
Missouri	747	14.1	96.3	12	0	41.7
Oklahoma	673	33.0	89.2	21	0	9.5
Region X:						
Louisiana	198	3.5	51.5	13	0	0
New Mexico	5	60.0	100.0	1	0	100.0
Texas	803	14.3	98.9	35	40.0	94.3
Region XI:						
Colorado	76	2.6	84.2	0		
Idaho	5	40.0	100.0	0		
Montana	21	38.1	100.0	0		
Utah	15	86.7	93.3	0		
Wyoming	7	0	42.9	2	50.0	100.0
Region XII:						
Arizona	35	91.4	100.0	0		
California	2,761	.9	77.6	458	.9	72.9
Nevada	21	57.1	100.0	1	100.0	100.0
Oregon	118	73.7	98.3	5	20.0	80.0
Washington	681	19.8	97.9	35	62.9	91.4
Regions XIII and XIV:						
Alaska	0			0		
Hawaii	0					

¹ Connecticut, Hawaii, Massachusetts, Nebraska, and New Hampshire have only 1 appeals authority.

Michigan a large number of cases were related to claims involving "other remuneration."

Of the 38,300 cases reviewed by lower appeals authorities, 33,300 were initiated by claimants, and in 12,900 or two-fifths of these, previous decisions were modified in favor of the claimant. This ratio varied widely among the States. In Iowa, Kansas, New Jersey, and Wyoming, claimants benefited in more than half the decisions on appeals initiated by them. In 8 States at the other extreme, less than one-fourth of the claimants' appeals resulted in decisions favorable to their interests. Among these States were Alabama, where only 88 out of 844 claimants' appeals were decided in favor of claimants; Ohio, 250 out of 1,076; Mississippi, 7 out of 62; and Washington, 163 out of 677.

Employers initiated 5,000 appeals cases during this half year. More than two-thirds of these appeals were in 4 States—Massachusetts, Michigan, Pennsylvania, and Texas—while 14 States reported no employer appeals. Decisions on 3,900 of the 5,000 employer appeals cases did not result in modification against the claimants' interest. Among States reporting more than 50 employer appeals, Massachusetts and Pennsylvania reported that over 90 percent of the decisions were in favor of the claimant. On the other hand, decisions contrary to the claimants' interest were rendered on more than half the employer appeals in Connecticut, Missouri, and Texas.

Of all cases on which lower appeals authorities rendered decisions, 26.5 percent were disposed of within 30 days (table 9). As a general rule, the proportion of cases disposed of within 30 days was less than the national average in States with the larger volumes of appeals. For the country as a whole, 89 percent of cases handled by lower appeals authorities were disposed of within 90 days.

Higher Appeals Authorities

Of the 51 jurisdictions, all but Connecticut, Hawaii, Massachusetts, Nebraska, and New Hampshire have 2 appeals authorities. For these 5, all appeals cases are classified as lower appeals authority cases. Among the remaining 46, the higher appeals authorities disposed of 4,500 cases during

the 6-month period, about one-tenth the number handled by the lower appeals authorities. Included in the higher authorities' cases are appeals by the initial authority from a decision of the lower appeals authority, and other cases in which there were no appellants because the appeals authority had taken the cases for review on its own motion.

The general pattern of cases classified by issue was much the same among the higher appeals bodies as among the lower. The proportion of cases involving the issue of voluntary quit was less for higher authorities, while a slightly higher proportion of cases involved the issue "able and available for work." The 1,700 cases involving the latter issue represented 46 percent of all cases disposed of by the higher authority, and in 27 States such cases outnumbered those on any other issue. Refusal of suitable work was the issue involving the second largest proportion (23 percent) of higher appeals cases. The issue of voluntary quit accounted for 14 percent of all higher authority cases.

Of the 3,700 review cases before the higher appeals bodies, 3,100 were appeals by claimants. Claimants obtained modifications in their favor in about one-fourth (783 cases) of the appeals they initiated. On the other hand, the claimants' interests did not suffer in 385 of the 491 cases initiated by employers. Nearly 19 percent of all the review cases handled by higher bodies were disposed of within 30 days after receipt, compared with 26 percent disposed of by the lower bodies. Of the 5 States with the greatest numbers of review cases—California, Illinois, Michigan, New York, and Pennsylvania—only Pennsylvania rendered decisions on more than 5 percent of the cases within 30 days. On the other hand, 7 of the 28 States with less than 100 cases rendered all decisions within the 30-day period.

Nonfarm Placements

The U. S. Employment Service made 530,000 nonfarm placements in July, passing the half-million mark for the first time in 9 months and exceeding the June figure by 10 percent. Placements rose in 38 States, with increases ranging from less than 1 percent in 6 States to more than 50

percent in Delaware, Utah, and Wisconsin. Of the 11 States that made fewer placements, only New Jersey had a drop of more than 10 percent.

Placements of women increased in number to 145,000, but represented less than 28 percent of all placements, the smallest proportion since January 1945. This proportion decreased in all but 17 States.

Veterans' placements rose to 186,000, the largest since World War I. Only 8 States reported decreases, and

Table 10.—*Nonfarm placements by State, July 1946*

U. S. Employment Service region and State	Total	Women	Veterans ¹
Total.....	530,312	145,484	186,333
Region I:			
Connecticut.....	7,503	2,654	2,643
Maine.....	5,746	1,258	1,237
Massachusetts.....	8,230	2,654	3,548
New Hampshire.....	2,448	495	955
Rhode Island.....	2,361	924	867
Vermont.....	1,354	236	607
Region II:			
New York.....	97,803	33,452	14,992
Region III:			
Delaware.....	1,605	559	369
New Jersey.....	11,020	4,837	3,442
Pennsylvania.....	24,163	6,440	12,209
Region IV:			
District of Columbia.....	2,671	788	844
Maryland.....	5,734	1,403	2,388
North Carolina.....	11,255	3,449	4,549
Virginia.....	7,797	2,409	2,813
West Virginia.....	3,087	858	1,295
Region V:			
Kentucky.....	3,983	945	1,616
Michigan.....	16,595	3,012	8,306
Ohio.....	25,695	6,678	9,806
Region VI:			
Illinois.....	14,833	4,216	5,893
Indiana.....	8,614	2,778	3,185
Wisconsin.....	16,823	4,687	5,923
Region VII:			
Alabama.....	13,472	3,129	4,231
Florida.....	9,660	3,033	3,845
Georgia.....	11,692	2,922	4,333
Mississippi.....	5,984	1,258	2,378
South Carolina.....	6,576	1,762	2,153
Tennessee.....	9,742	2,733	3,300
Region VIII:			
Iowa.....	7,592	1,587	3,985
Minnesota.....	11,934	2,475	4,736
Nebraska.....	3,980	739	1,730
North Dakota.....	1,638	334	621
South Dakota.....	1,378	212	715
Region IX:			
Arkansas.....	7,302	2,413	2,142
Kansas.....	6,094	1,332	2,508
Missouri.....	10,981	3,240	4,320
Oklahoma.....	8,749	2,038	3,257
Region X:			
Louisiana.....	5,110	1,192	2,170
New Mexico.....	2,892	426	1,605
Texas.....	34,871	8,356	14,365
Region XI:			
Colorado.....	6,330	1,007	2,580
Idaho.....	3,898	490	1,991
Montana.....	2,468	336	1,123
Utah.....	4,247	873	1,546
Wyoming.....	1,455	157	664
Region XII:			
Arizona.....	4,252	990	1,503
California.....	46,510	13,093	18,111
Nevada.....	2,275	603	679
Oregon.....	9,382	1,830	3,902
Washington.....	10,438	2,162	4,263

¹ Represents placements of veterans of all wars.

² Includes 2,662 placements of Canadians: 1,987 in Maine, 403 in New Hampshire, and 272 in Vermont.

Source: Department of Labor, U. S. Employment Service.

in only 2 were the decreases more than 10 percent—12 percent in Rhode Island and 13 percent in New Jersey. In both Pennsylvania and Vermont, more than two-thirds of all place-

ments of men were veterans' placements, and in only 2 States (Delaware and New York) were such placements less than two-fifths of the total for men.

14.0 percent; for child's benefits, from 7.8 to 6.3 percent.

The average amounts of benefits withheld differed only slightly from corresponding averages for benefits in current-payment status. The only significant difference was for primary benefits; primary benefits withheld averaged \$24.78, while those in current-payment status averaged \$24.43. In earlier periods, primary benefits withheld averaged less than those in current-payment status. This reversal may result from several factors, among them the fact that the primary benefits now withheld because of return to employment include relatively more benefits of persons who received awards rather recently and therefore are likely to have relatively high benefit amounts.

As in the past, employment of the beneficiary was the predominant reason for withholding benefits of every type except wife's, and for nearly 95 percent of the wife's benefits withheld, withholding was attributable to the employment of the primary beneficiary, the husband. Of the child's benefits withheld, 63 percent were withheld because of the child's employment and 16 percent because of

Old-Age and Survivors Insurance

Monthly Benefits in Current-Payment Status, July 1946

At the end of July 1946, about 1.5 million monthly benefits were in current-payment status (table 1); the July increase of less than 26,000 was the smallest since August 1945. The aggregate amount of benefits in current-payment status at the end of July was almost \$28.8 million. Awards of monthly benefits in the month totaled about 45,500, fewer than in any month since December 1945, with decreases for most benefit types. The summer months generally show a slackening in new claims because death rates are lower at this season and perhaps also because employers are less likely to retire workers in the summer than in winter, particularly at the year-end.

Monthly Benefits for Which Payment Was Withheld as of June 30, 1946

Nearly 199,000 benefits were withheld from current-payment status at the end of June 1946 (table 2). This was the largest number on record but about the same proportion of all monthly benefits in force—11.7 percent—as in recent months, and considerably lower than at the end of June 1945, when 13.9 percent of all benefits in force were withheld. For widow's current benefits the proportion withheld at the end of June 1946—23.6 percent—was higher than for any other type of benefit, though less than the 25.8 percent withheld 12 months earlier. For primary benefits the proportion withheld had fallen during the year from 17.1 percent to

Table 1.—*Monthly benefits in current-payment status¹ at the end of the month, by type of benefit and month, July 1945–July 1946, and monthly benefit actions, by type of benefit, July 1946*

[Amounts in thousands; data corrected to Aug. 19, 1946]

Item	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Monthly benefits in current-payment status at end of month:														
1945														
July	1,128,103	\$20,609.3	440,902	\$10,575.6	135,493	\$1,725.5	351,905	\$4,361.2	83,711	\$1,686.8	110,371	\$2,185.5	5,721	\$74.7
August	1,150,767	21,070.9	451,662	10,852.8	138,700	1,769.4	356,318	4,416.1	85,666	1,726.9	112,603	2,229.7	5,818	76.0
September	1,180,021	21,648.4	464,720	11,186.7	142,736	1,823.3	364,319	4,521.9	87,461	1,763.5	114,875	2,275.8	5,910	77.2
October	1,218,023	22,414.2	482,989	11,660.7	148,378	1,899.3	374,145	4,651.8	89,473	1,804.8	117,029	2,319.1	6,009	78.5
November	1,255,792	23,164.5	501,786	12,131.6	154,101	1,974.1	383,054	4,767.9	91,715	1,851.0	119,013	2,359.9	6,123	80.0
December	1,288,107	23,501.1	518,234	12,538.2	159,168	2,039.9	390,134	4,857.5	93,781	1,903.1	120,581	2,391.4	6,209	81.1
1946														
January	1,324,496	24,573.0	538,006	13,057.9	164,909	2,119.4	397,062	4,948.3	96,105	1,941.0	122,121	2,424.3	6,293	82.2
February	1,362,473	25,374.3	558,757	13,599.7	202,203	2,203.6	404,092	5,048.1	98,531	1,980.5	123,670	2,457.3	6,336	83.2
March	1,403,926	26,232.6	581,084	14,171.8	217,795	2,293.6	411,429	5,138.2	101,409	2,048.1	125,515	2,496.3	6,466	84.5
April	1,441,074	26,976.7	600,759	14,657.3	183,570	2,368.3	419,153	5,236.3	104,035	2,101.2	126,989	2,527.9	6,568	85.7
May	1,474,015	27,633.1	617,562	15,076.0	188,668	2,435.3	426,141	5,324.1	107,254	2,166.2	127,756	2,544.8	6,634	86.6
June	1,502,085	28,210.8	632,038	15,443.3	193,241	2,496.6	431,202	5,391.2	110,168	2,228.9	128,688	2,565.8	6,748	88.1
July	1,527,880	28,771.9	646,996	15,833.0	197,947	2,560.1	433,533	5,420.1	113,092	2,284.5	129,437	2,584.2	6,875	90.0
Monthly benefit actions, July 1946:														
In force ² beginning of month.	1,700,696	32,270.7	735,154	17,998.6	218,017	2,816.6	460,161	5,745.2	112,025	2,262.8	168,497	3,358.2	6,842	89.3
Benefits awarded in month.	45,458	618.4	21,718	556.2	7,370	97.2	9,265	120.9	3,312	66.5	3,623	75.2	170	2.4
Entitlements terminated ³ .	11,898	217.0	3,612	88.9	1,779	22.6	3,495	45.7	341	6.9	2,629	52.5	42	.5
Net adjustments ⁴ .	43	0.1	—	5.9	15	1.0	26	1.5	14	.1	—2	6	—1	(1)
In force ² end of month.	1,734,299	32,961.2	753,251	18,471.8	223,623	2,892.2	465,957	5,822.0	115,010	2,322.5	169,489	3,381.5	6,969	91.1

¹ Benefit in current-payment status is subject to no deduction or only to deduction of fixed amount which is less than current month's benefit.

² Represents total benefits awarded, including benefits in current, deferred, and conditional-payment status, after adjustment for subsequent changes in number and amount of benefits (see footnote 4) and terminations (see footnote 3), cumulative from January 1940.

³ Benefits are terminated when a beneficiary dies or loses entitlement to benefits for the reasons specified in 1939 amendments, see 202.

⁴ Adjustments result from operation of maximum and minimum provisions of 1939 amendments, sec. 203(a) and (b), and from other administrative actions.

⁵ Less than \$50.

nonattendance at school, as compared with 72 and 14 percent, respectively, a year earlier. Because most children

of ages 16 and 17 who have left school are at work, differences in the proportion attributed to child's employment

or to nonattendance at school probably largely reflect the method of coding.

Table 2.—Number and amount of monthly benefits in force in deferred or conditional-payment status,¹ by reason for withholding payment and type of benefit, June 30, 1946

[Corrected to Aug. 2, 1946]

Reason for withholding payment ²	Total		Primary		Wife's		Child's		Widow's		Widow's current		Parent's	
	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount	Number	Monthly amount
Total	188,611	\$4,059,839	103,116	\$2,555,338	24,776	\$319,977	28,959	\$354,019	1,857	\$36,935	39,809	\$792,398	94	\$1,172
Failure to attend school regularly	4,748	58,053					4,748	58,053						
Employment of beneficiary	159,811	3,534,138	100,821	2,503,374	1,050	12,366	18,325	227,861	1,549	30,701	38,004	759,085	62	751
Employment of primary beneficiary on whose wages benefit is based														
Failure to have care of an entitled child	25,944	333,186			23,347	302,549	2,597	30,637						
Previous payment of lump-sum attainment claim	954	17,842												
Payee not determined	527	16,326	354	12,455	96	1,828	4	69	71	1,938	1	21	1	15
All other	1,717	21,210	137	3,122	17	208	1,489	16,432	25	508	45	878	4	62
	4,910	79,084	1,804	36,387	266	3,026	1,796	20,967	212	3,788	805	14,572	27	344

¹ Benefit in deferred-payment status is one withheld entirely for a known period; benefit in conditional-payment status is one withheld entirely for an indefinite period.

² As provided under secs. 203 and 907 of the amended act, except for the reason "payee not determined," in which case benefit payments are accrued pending

determination of guardian or other appropriate payee. When 2 or more reasons for withholding are reported simultaneously, the case is classified under the first listed reason. In all other instances in which 2 or more reasons apply, the first reported reason is the reason recorded.

Public Assistance

New Federal Matching Provisions for Public Assistance

The amendments to the Social Security Act passed in August 1946 made three changes in the provisions for old-age assistance, aid to dependent children, and aid to the blind under titles I, IV, and X of the act. Revisions were made in (1) the method of determining Federal matching of assistance payments; (2) the Federal matching maximums on individual assistance payments; and (3) provisions for Federal participation in administrative costs of old-age assistance. The amendments will become effective on October 1, 1946, and will expire December 31, 1947.

Method of determining Federal matching of assistance payments.—Before amendment, the Social Security Act provided for Federal grants to the States to pay 50 percent of all individual assistance payments within specified maximums. Under the amended act, the Federal Government will pay, for old-age assistance and aid to the blind, two-thirds of the first \$15 per recipient plus one-half the balance of expenditures within

specified maximums on individual assistance payments. For aid to dependent children, the Federal share will equal two-thirds of the first \$9 per child receiving aid plus one-half the balance of expenditures within specified maximums. To determine the amount of Federal funds due a State under the amended act, it will be necessary first to obtain matchable payments by deducting from total expenditures all amounts which are in excess of Federal matching maximums or are paid to persons not eligible under the Social Security Act. For States where matchable expenditures are equal to or less than \$15 times the number of recipients of old-age assistance and aid to the blind and \$9 times the number of children receiving aid to dependent children, Federal funds will equal two-thirds of matchable expenditures. For other States, Federal funds for old-age assistance and aid to the blind will equal two-thirds of \$15 times the number of recipients plus one-half the balance of matchable expenditures above an average of \$15 per recipient. For aid to dependent children, Federal funds will equal two-thirds of \$9 times the number of children receiving aid plus one-half the

balance above an average of \$9 per child. For example, if a State made payments amounting to \$1 million to 50,000 aged recipients, \$300,000 to 20,000 children, and \$50,000 to 2,000 blind recipients, and if the amount of assistance not matchable from Federal funds was \$10,000 for old-age assistance, \$40,000 for aid to dependent children, and \$2,000 for aid to the blind, Federal funds would be figured as follows:

Item	Old-age assistance	Aid to dependent children	Aid to the blind
1. Total payments	\$1,000,000	\$300,000	\$50,000
2. Nonmatchable payments	-10,000	-40,000	-2,000
3. Total matchable payments	990,000	260,000	48,000
4. Amount to be matched two-thirds: (\$15 times 50,000 aged recipients plus \$15 times 2,000 blind recipients plus \$9 times 20,000 children receiving aid)	750,000	180,000	30,000
5. Balance to be matched one-half from Federal funds	240,000	80,000	18,000
6. Federal funds	620,000	160,000	29,000
a. $\frac{3}{2}$ of item 4	500,000	120,000	20,000
b. $\frac{1}{2}$ of item 5	120,000	40,000	9,000

The additional Federal funds provided in the amendments will have different effects in the several States depending on State-local expendi-

tures. In reports on the amendments, Congress indicated that by increasing Federal funds it intended to assist States in raising assistance payments so that the rise in the cost of living might be offset in part. If States implement this intention, they will spend at least as much from State and local funds as they have been spending and use the additional Federal money to raise individual assistance payments in addition to granting assistance to all eligible needy people whose applications have been pending because of fund shortages. Rising case loads may also make it necessary for States to increase State-local appropriations in order to raise payments. If case loads were declining, on the other hand, a State might be able to reduce State-local expenditures somewhat and still raise assistance standards with the additional Federal money. Table 1 gives a theoretical example of the effect on Federal costs, average payments, and recipients under various assumptions regarding State-local expenditures.

All States will receive additional Federal money under the amendment. As table 1 indicates, States which will benefit most are those with relatively smaller average payments per recipient. Since there is a rough correlation between size of payments and fiscal capacity of States, generally the States receiving the largest proportional increase in Federal funds will be the poorest States. Even with the additional Federal money, however, average payments in these States will still be relatively low.

There are one or two of the wealthier States which make small average payments; these States likewise will receive close to two-thirds of their assistance payments from Federal funds. On the other hand, a few of the poorest States which by extraordinary fiscal effort maintain relatively high assistance standards will not receive increases in Federal funds related to their fiscal ability.

In general, however, the effect of this amendment will be an initial step in the direction of equalization of the financial burden of public assistance among the States. It is expected that States will carry this further and equalize the burden among counties within the States. The additional funds will enable States to take steps

Table 1.—*Theoretical example¹ of effect of 1946 amendments on the amount of Federal funds, average payments, and number of recipients if States spend as much from State and local funds as under 50-50 matching*

State	Number of recipients	Average payment per recipient	Assistance payments					State and local funds	
			Total	Federal funds					
				Amount	Percent of total	Percentage increase over 50-50 matching			
50-50 matching									
Former provisions:									
A	10,000	\$10	\$100,000	\$50,000	50	-----	\$50,000		
B	10,000	15	150,000	75,000	50	-----	75,000		
C	10,000	20	200,000	100,000	50	-----	100,000		
D	10,000	25	250,000	125,000	50	-----	125,000		
E	10,000	30	300,000	150,000	50	-----	150,000		
If States raise average assistance payments									
Under amendments:									
A	10,000	\$15	\$150,000	\$100,000	66.7	100.0	\$50,000		
B	10,000	20	200,000	125,000	62.5	66.7	75,000		
C	10,000	25	250,000	150,000	60.0	50.0	100,000		
D	10,000	30	300,000	175,000	58.3	40.0	125,000		
E	10,000	35	350,000	200,000	57.1	33.3	150,000		
If States increase number of recipients									
A	15,000	\$10	\$150,000	\$100,000	66.7	100.0	\$50,000		
B	15,000	15	225,000	150,000	66.7	100.0	75,000		
C	13,333	20	266,667	166,667	62.5	66.7	100,000		
D	12,500	25	312,500	187,500	60.0	50.0	125,000		
E	12,000	30	360,000	210,000	58.3	40.0	150,000		

¹ The example, in not showing the effect of non-matching payments above Federal matching maximums, understates the range in the percent of Federal participation under the amendment.

States with large volumes of payments above Federal maximums, particularly for aid to dependent children, probably will still receive less than 50 percent of total payments from Federal funds.

toward establishing State-wide assistance standards to eliminate the differentials in payments that now exist among counties because of fiscal inability of the poorest counties to maintain standards as high as those in the richer counties. If States use the additional Federal money for this purpose, some will have to amend present laws or administrative procedures which provide for distribution of Federal-State funds to counties on a fixed uniform percentage.

Federal matching maximums on individual assistance payments.—Before the present amendments, the Social Security Act specified that the maximum monthly amount of individual assistance payments toward which the Federal Government would contribute one-half were \$40 for old-age assistance and aid to the blind, and, for aid to dependent children, \$18 for the first child in the family plus \$12 for each additional child. Amounts above the maximums are paid entirely from State-local funds. Under the amendments, the Federal matching maximums on individual assistance payments have been raised

to \$45 for old-age assistance and aid to the blind and, for aid to dependent children, to \$24 for the first child in the family plus \$15 for each additional child aided. In November 1945, 18 percent of old-age assistance and aid to the blind payments and 51 percent of those for aid to dependent children were above the maximums of \$40 and \$18-12. If the new maximums had been in effect at that time, the percents of payments above the maximums would have been 13 for old-age assistance, 16 for aid to the blind, and nearly 40 percent for aid to dependent children. It can be seen, therefore, that the new maximums for aid to dependent children are still well below what States have found a large proportion of families need.

Many States can take advantage immediately of the higher Federal matching maximums. These are the States which have no maximums on individual assistance payments or specify maximums equal to or higher than those in the amended act. Other States have administrative or legal maximums equal to or less than the old maximums of \$40 and \$18-12.

Table 2.—Public assistance in the United States, by month, July 1945-July 1946¹

Year and month	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance	Total	Old-age assistance	Aid to dependent children		Aid to the blind	General assistance
			Families	Children					Families	Children		
Number of recipients												
1945												
July	2,034,531	254,310	644,088	70,935	231,000	—	—	—0.2	—0.5	—0.4	—0.3	—1.3
August	2,033,135	255,114	647,187	70,850	229,000	—	—	+1	+1.3	+1.5	+1	+0.9
September	2,034,541	258,589	657,861	70,654	232,000	—	—	+1	+1.4	+1.6	+1	+1.3
October	2,039,661	263,003	669,317	70,699	239,000	—	—	+3	+1.7	+1.7	+1	+3.2
November	2,047,405	268,213	683,899	70,886	242,000	—	—	+4	+2.0	+2.2	+3	+1.3
December	2,055,859	274,301	701,251	71,454	256,000	—	—	+4	+2.3	+2.5	+8	+5.5
1946												
January	2,059,344	279,892	716,700	71,655	276,000	—	—	+2	+2.0	+2.2	+3	+7.6
February	2,062,672	286,425	733,670	72,041	295,000	—	—	+2	+2.3	+2.4	+5	+6.7
March	2,071,092	292,741	751,839	72,352	303,000	—	—	+4	+2.3	+2.5	+5	+2.8
April	2,088,031	300,938	772,570	72,739	292,000	—	—	+8	+2.8	+2.8	+5	+3.6
May	2,098,977	307,069	786,712	73,427	283,000	—	—	+5	+2.0	+1.8	+9	+3.2
June	2,108,216	311,294	799,414	73,980	278,000	—	—	+4	+1.4	+1.6	+8	+1.6
July	2,116,506	314,515	806,558	74,470	279,000	—	—	+4	+1.0	+9	+7	+3
Amount of assistance												
1945												
July	\$81,390,642	\$80,536,297	\$12,091,159	\$2,145,186	\$6,618,000	+0.3	+0.8	—0.3	—0.1	—0.1	—2.6	
August	82,317,698	60,943,111	12,200,634	2,275,948	6,828,000	+1.1	+7	+1.4	+6.1	+6.1	+3.3	
September	83,240,209	61,393,799	12,654,076	2,303,334	6,889,000	+1.1	+7	+3.2	+1.2	+1.2	+7	
October	85,193,100	62,137,738	13,171,371	2,344,991	7,539,000	+2.3	+1.2	+4.1	+1.8	+1.8	+0.4	
November	86,658,834	62,828,837	13,772,108	2,363,894	7,694,000	+1.7	+1.1	+4.6	+8	+8	+2.1	
December	88,557,991	63,489,317	14,278,439	2,395,235	8,305,000	+2.2	+1.1	+3.7	+1.3	+1.3	+0.1	
1946												
January	90,358,194	63,963,660	14,728,554	2,402,980	9,263,000	+2.0	+7	+3.2	+3	+3	+10.3	
February	92,070,887	64,419,356	15,273,381	2,426,960	9,951,000	+1.9	+7	+3.7	+1.0	+1.0	+7.4	
March	93,616,319	64,877,555	15,772,377	2,443,387	10,523,000	+1.7	+7	+3.3	+7	+7	+5.7	
April	93,568,365	65,445,101	16,195,125	2,463,139	9,465,000	—	+9	+2.7	+8	+8	+10.1	
May	94,247,612	65,877,228	16,473,590	2,491,794	9,403,000	+7	+7	+1.7	+1.2	+1.2	+7	
June	94,991,786	66,363,812	16,717,447	2,518,527	9,092,000	+5	+7	+1.5	+1.1	+1.1	+3.3	
July	95,781,184	66,985,744	16,962,603	2,543,637	9,389,000	+1.2	+9	+9	+1.0	+1.0	+3.3	

¹ Partly estimated and subject to revision. Excludes programs administered without Federal participation in States administering such programs concurrently with programs under the Social Security Act.

Table 3.—Old-age assistance: Recipients and payments to recipients, by State, July 1946¹

State	Number of recipients	Payments to recipients		Percentage change from—				State	Number of recipients	Payments to recipients		Percentage change from—					
		June 1946 in—		July 1945 in—		June 1946 in—				June 1946 in—		July 1945 in—		June 1946 in—			
		Total amount	Average	Number	Amount	Number	Amount			Total amount	Average	Number	Amount	Number	Amount		
Total	2,116,506	\$66,985,744	\$31.65	+0.4	+0.9	+4.0	+10.7	Mo.	105,680	\$3,046,626	\$28.83	+0.3	+1.7	+5.4	+29.5		
Ala.	38,925	712,541	18.31	+1.6	+1.3	+20.7	+42.6	Mont.	10,643	347,369	32.64	+4	+7	+3.4	+3.4		
Alaska	1,376	57,368	41.69	+2.4	+4.1	+20.5	+6.0	Nebr.	24,338	785,923	32.29	+2	+5.3	+1.5	+13.9		
Ariz.	9,763	379,056	38.83	+2.2	+3	+3.4	+4.2	Nev.	1,949	75,731	38.86	+1	+1.5	+2.6			
Ark.	28,061	479,474	17.09	+1.7	+2.2	+5.0	+8.9	N. H.	6,600	209,114	31.66	+2	+1.5	+1.2	+7.1		
Calif.	162,572	7,753,942	47.70	+2.2	+2	+2.9	+3.7	N. J.	22,911	770,472	33.63	—1	+0.9	+2.3	+3.3		
Colo.	40,394	1,675,994	41.49	+1	+1	+2	+6	N. Mex.	6,846	213,615	31.20	+1.8	+2.1	+16.5	+16.4		
Conn.	14,756	620,140	42.03	+5	+3.1	+6.4	+20.8	N. Y.	104,282	4,028,142	38.61	+1	+2.5	+1.0	+11.6		
Del.	1,192	23,103	19.38	+4	+4	+1.0	+11.3	N. C.	33,089	463,021	13.99	+5	+0.9	+1.0	+11.8		
D. C.	2,258	76,556	33.90	+9	+2	+6.1	+11.5	N. Dak.	8,717	308,505	35.39	+1	+1.1	+1	+6.7		
Fla.	46,506	1,428,398	30.71	+1.3	+1.9	+13.3	+20.2	Ohio	117,147	3,764,687	32.14	+4	+1.1	+4	+7.0		
Ga.	70,114	924,806	13.19	+5	+2.0	+5.6	+21.7	Oklas.	3,109,520	35.56	+9	+1.0	+11.2	+16.3			
Hawaii	1,508	37,819	25.08	+7	+4	+4.8	+13.2	Oreg.	21,114	838,249	39.70	+5	+0.9	+5.2	+13.5		
Idaho	9,941	379,851	38.21	+9	+17.3	+3.6	+23.7	Pa.	86,597	2,685,224	31.01	+7	+1.0	+4.8	+7.7		
Ill.	124,731	4,247,991	34.06	+1	+1	+2.9	+8.8	R. I.	7,577	271,598	35.82	+1	+1.1	+5.0	+10.9		
Ind.	54,771	1,458,932	25.64	+4	+9	+1	+3.4	S. C.	23,834	288,850	16.31	+1.8	+3.3	+10.8	+24.3		
Iowa	48,313	1,649,377	34.14	+1	+4	+1.7	+5.3	S. Dak.	12,662	346,006	27.37	+1	+4	(*)	+7.2		
Kans.	29,687	916,841	30.88	+6	+1.0	+5.8	+13.2	Tenn.	38,592	629,990	16.32	+4	+5	+2.0	+3.5		
Ky.	44,064	521,490	11.83	+4	(*)	+7.4	+4.8	Tex.	183,682	4,332,570	23.59	+6	+9	+8.0	+6.5		
La.	38,296	874,653	22.84	+9	+7.9	+5.7	+2.1	Utah	12,797	500,669	39.12	+2	+2	+2	+6		
Maine...	14,956	460,058	30.76	+4	+6	+9	+4.5	Vt.	5,299	128,784	24.30	+1.5	+2.6	+1.9	+9.7		
Md.	11,552	327,301	28.33	+1	+2	+5	+2.2	Va.	14,699	213,588	14.53	+1.5	+6.5	+2.0	+1.0		
Mass.	79,882	3,765,651	47.14	+4	+1.1	+7.3	+17.9	Wash.	63,365	3,507,690	53.66	+1	+4	+7.1	+18.1		
Mich.	89,655	3,010,013	35.57	+2	+3	+6.2	+15.0	W. Va.	19,035	306,133	16.08	+5	+6.1	+3.1	+6.5		
Minn.	64,200	1,862,643	34.37	(*)	+1.6	+7	+12.9	Wis.	46,273	1,449,671	31.33	(*)	+6	+3.2	+10.5		
Miss.	28,319	472,866	16.70	+2.8	+3.3	+5.8	+11.4	Wyo.	8,540	145,525	41.90	+7	+8.4	+5.2	+21.5		

¹ For definitions of terms see the Bulletin, July 1945, pp. 27-28. All data subject to revision.

² Increase of less than 0.05 percent.

States with administrative maximums probably will not be delayed in tak-

ing advantage of the amendments. Where laws must be changed, how-

ever, amendment must be delayed pending State legislative sessions.

Table 4.—General assistance: Cases and payments to cases, by State, July 1946¹

State	Number of cases	Payments to cases		Percentage change from—			
		Total amount	Average	June 1946 in—		July 1945 in—	
				Number	Amount	Number	Amount
Total ²	279,000	\$9,389,000	\$33.65	+0.3	+3.3	+20.9	+41.9
Ala.	4,216	64,003	15.18	+1.1	+8	+33.0	+44.2
Alaska	189	6,619	35.02	-5.0	-31.3	+23.5	+37.0
Ariz.	2,159	59,448	27.53	-3.2	-9.9	+27.9	+23.2
Ark. ³	2,728	32,383	11.87	+7	+8	+2.5	+7
Calif.	18,246	805,441	44.14	+6.8	+7.8	+61.3	+85.0
Colo.	3,501	116,449	33.26	+3	+1.0	+18.9	+27.9
Conn.	4,278	*90,187	32.37	-2.1	-8.8	+18.8	+19.3
Del.	444	13,463	30.32	+4.0	+7.5	+33.7	+61.6
D. C.	801	31,587	39.45	+6	+2.2	+10.2	+6.7
Fla.	3,800	*45,000					
Ga.	2,562	32,645	12.74	-2	-1.5	+1.6	+11.1
Hawaii	661	25,966	39.28	+3.4	+8.5	+26.9	+58.9
Idaho ⁴	502	12,456	24.81	-4	+3.8	+1.8	+18.0
Ill.	19,471	747,279	38.38	-8	+2.4	-14.0	+14.3
Ind. ⁵	8,602	194,002	22.55	-5.3	-2.4	+54.7	+66.4
Iowa	3,843	79,920	20.80	-2.2	-1	+5.2	+17.7
Kans.	3,682	123,472	33.44	+7	+2.7	+16.7	+33.1
Ky.	2,300	*34,000					
La.	7,566	166,997	22.02	+1.3	+8.2	+6.5	+15.3
Maine	1,857	62,654	33.74	-5.3	-8.6	+2.7	+15.9
Md.	6,724	225,333	33.51	+2.7	+3.3	+38.4	+58.6
Mass.	13,050	467,033	35.79	+1.5	+5.7	+8.2	+19.7
Mich.	17,984	690,545	38.40	-1.3	+12.7	+72.4	+117.4
Minn.	5,170	163,283	31.58	-9	+1.6	+9.5	+33.8
Miss.	373	3,594	9.64	+3.6	+7.1	+16.2	+32.0
Mo. ⁶	9,292	286,261	30.81	+3.4	+35.0	+14.6	+68.1
Mont.	1,088	27,500	25.28	+3.1	+1.8	+12.7	+16.1
Nebr.	1,770	41,555	23.48	-2.9	-8	+12.6	+27.5
Nev.	231	4,578	19.82	-8.0	-7.4	+33.5	+18.4
N. H.	1,007	29,040	28.84	-2.8	(*)	-3.0	+8.5
N. J. ⁷	4,856	185,016	38.10	-1.4	-1.4	+9.4	+26.8
N. Mex. ⁸	1,344	22,854	17.00	-4	-1.1	+19.3	-8.5
N. Y. ⁹	39,091	1,921,428	49.15	(*)	+1.6	+11.1	+21.9
N. C.	2,667	32,515	12.19	+2.3	+4.5	+15.2	+27.1
N. Dak.	654	17,598	26.91	+2.3	+4.6	+6.3	+29.5
Ohio	15,403	526,362	34.17	-3	+2.6	+45.0	+80.9
Oklahoma	5,467	57,630	(11)	(11)	-4.2	(11)	-53.2
Oreg.	4,514	218,347	46.37	+1.2	+2	+30.1	+49.1
Pa.	27,617	868,557	31.45	+2	+1.0	+39.0	+72.5
R. I.	2,051	81,277	39.63	+3	+5.3	+4.9	+32.5
S. C.	3,732	43,563	11.67	+2	-19.2	+33.2	+25.9
S. Dak.	740	16,327	22.06	-4.4	+1	-8.6	+4.4
Tenn.	1,200	*12,000					
Tex.	2,900	*47,000					
Utah	1,627	70,107	43.09	-2.5	-5.0	+17.0	+24.7
Vt.	766	18,286	23.87	+3.2	(*)	+23.0	+35.3
Va.	3,176	51,221	16.13	-3.7	-16.0	+8.0	+2.2
Wash.	7,895	398,909	50.53	+4.6	+1.2	+62.9	+69.0
W. Va.	4,621	60,641	13.12	+1.6	+1.9	+20.6	+35.8
Wis.	4,650	158,149	34.01	+1.1	+4.9	+6.0	+53.7
Wyo.	339	12,719	37.52	-1.5	+11.9	+1.8	+22.3

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. All data subject to revision.

² Partly estimated; does not represent sum of State figures because total excludes payments for, and an estimated duplication of cases receiving medical care, hospitalization, and burial only in Indiana and New Jersey, and an estimated duplication of cases in Oklahoma.

³ State program only; excludes program administered by local officials.

⁴ Based on actual reports, including an estimated 97 percent of cases and 96 percent of payments.

⁵ Estimated.

⁶ Excludes assistance in kind and cases receiving assistance in kind only and, for a few counties, cash payments and cases receiving cash payments. Amount of payments shown represents 60 percent of total.

⁷ Includes unknown number of cases receiving medical care, hospitalization, and burial only, and total payments for these services.

⁸ Excludes a few cases and a small amount of local funds not administered by State agency.

⁹ Increase of less than 0.05 percent.

¹⁰ Includes cases receiving medical care only; number believed by State agency to be insignificant.

¹¹ Represents 3,661 cases aided by county commissioners and 1,806 cases aided under program administered by State Board of Public Welfare; amount of duplication believed to be large; average per case and percentage change in number of cases cannot be computed.

Table 5.—Aid to the blind: Recipients and payments to recipients, by State, July 1946¹

State	Number of recipients	Payments to recipients		Percentage change from—			
		Total amount	Average	June 1946 in—		July 1945 in—	
				Number	Amount	Number	Amount
Total	74,470	\$2,543,637	\$34.16	+0.7	+1.0	+5.0	+18.6
Total, 47 States ²	58,013	1,918,684	33.07	+7	+1.3	+4.8	+14.2
Ala.	892	15,787	18.31	+1.4	+1.8	+13.6	+30.2
Ariz.	542	25,610	47.25	+2.1	+3.5	+18.6	+21.4
Ark.	1,215	23,164	19.07	+1.8	+2.2	+3.7	+6.5
Calif.	5,969	345,890	57.95	+1.1	+1.1	+11.0	+34.6
Colo.	446	16,350	36.67	-2	(*)	-4.1	-4
Conn.	140	5,675	40.54	+1.4	+1.1	+6.9	+17.5
Del.	51	1,590	(*)	(*)	(*)	(*)	(*)
D. C.	198	7,342	37.08	+5	+1.4	-5	-6.3
Fla.	2,421	77,400	31.97	+1.4	+2.0	+6.6	+13.5
Ga.	2,108	35,492	15.89	+4	+1.3	+4.6	+17.2
Hawaii	61	1,744	28.59	(*)	(*)	(*)	(*)
Idaho	201	8,298	41.28	-5	+17.6	-2.4	+21.7
Ill.	4,979	175,439	35.24	-1	+1	-3.2	+5
Ind.	1,935	57,279	26.60	+3	+1.0	-3.5	-3.7
Iowa	1,219	47,774	39.19	-1	+5	-2.3	+15.3
Kans.	1,063	36,819	34.00	+3	+1.4	+2.8	+11.8
Ky.	1,596	20,768	13.34	+3	+3	-1.5	+1.3
La.	1,394	36,460	26.15	+1	+6.4	+2.2	-1.4
Maine	774	24,650	31.85	-5	+4	-4.9	-1.1
Md.	459	14,655	31.93	+9	+1.8	+4.8	+7.0
Mass.	1,081	51,066	47.24	+1.2	+9	+11.6	+18.0
Mich.	1,337	48,367	36.18	+5	+4	+6.8	+11.5
Minn.	941	37,526	39.88	-6	-1.2	-1.4	+4.7
Miss.	1,661	38,357	23.09	+1.2	+1.6	+13.3	+17.7
Mo.	6,950	88,900	50.00				
Mont.	362	12,939	35.74	+8	+1.0	+12.1	+15.5
Nebr.	441	14,472	32.82	+5	+8	-2	+11.3
Nev.	86	1,157	(*)	(*)	(*)	(*)	(*)
N. H.	287	9,399	32.75	+1.1	+2.2	+7.1	+15.3
N. J.	566	19,874	35.74	+1.1	+2.4	+4.3	+11.0
N. Mex.	248	7,029	28.34	+1.2	+1.4	+2.9	+9
N. Y.	3,107	135,406	43.58	+6	+3.0	+6.6	+18.7
N. C.	2,625	55,065	20.98	+1.5	+9	+12.0	+25.2
N. Dak.	122	4,366	35.79	+2.5	+3.1	+11.9	+20.4
Ohio	3,090	89,092	28.83	-2	+1.0	+2.7	+8.9
Oklahoma	2,039	74,787	36.68	+1.2	+1.2	+10.8	+12.9
Oreg.	363	17,469	48.12	-4	-2.5	-2.9	+1.2
Pa.	15,481	635,296	59.71	+7	+8	+6.1	+41.4
R. I.	114	4,068	35.68	+2.7	+4.8	+10.7	+20.3
S. C.	1,049	21,082	20.10	+1.0	-4.2	+11.7	+10.4
S. Dak.	212	5,148	24.28	-9	-8	-2.8	+2.6
Tenn.	1,577	31,648	20.07	+6	+2	+2.9	+3.6
Tex.	4,945	133,008	26.90	+1.2	+2.0	-7.1	+17.9
Utah	145	5,934	40.92	+2.8	+3.0	+13.3	+16.2
Vt.	162	5,189	32.03	-1.8	-2.8	+1.2	+6.1
Va.	1,004	19,512	19.43	+2.3	+3.0	+4.6	+11.0
Wash.	642	38,797	60.43	+1.3	+2.7	+10.5	+25.4
W. Va.	846	15,601	18.44	+5	-4.8	+4.2	+6.4
Wis.	1,332	42,446	31.87	-4	+6	-4.2	+3.4
Wyo.	112	4,880	43.57	+9	+5.7	-9	+10.9

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent programs administered without Federal participation. Data exclude program administered without Federal participation in Connecticut, which administers such program concurrently with program under the Social Security Act. Alaska does not administer aid to the blind. All data subject to revision.

² Under plans approved by the Social Security Administration.

³ Increase of less than 0.05 percent.

⁴ Average payment not calculated on base of less than 50 recipients; percentage change, on less than 100 recipients.

⁵ Payments under approved plan first made in November 1945.

⁶ Estimated.

⁷ Represents statutory monthly pension of \$30 per recipient; excludes payments for other than a month.

Because the amendments are effective for only 15 months, some States which have no regular legislative sessions within that period may not be able to receive full benefit of the Federal amendments. Some of them may, of course, call special sessions to make necessary changes.

Provisions for Federal participation in administrative costs of old-age assistance.—Since the Social Security Act went into effect in 1935, Federal funds for administrative expenses of old-age assistance have been provided as a percentage addition to the grant for assistance payments.

The act specified an additional amount of 5 percent, to be used for

Table 7.—Recipient rates for public assistance in the continental United States, by State, June 1946¹

State	Number of recipients		Payments to recipients	Percentage change from—						Recipients of old-age assistance per 1,000 population aged 65 and over ¹	Children receiving aid to dependent children per 1,000 population under 18 years ²	Recipients of aid to the blind per 1,000 estimated blind population ³	Recipients of general assistance per 100,000 estimated civilian population ⁴						
	Families	Children		June 1946 in—		July 1945 in—		Number of—	Amount										
				Average per family	Number of—	Families	Children												
Total	314,515	800,558	\$16,862,803	\$53.62	+1.0	+0.9	+0.9	+23.7	+25.2	+39.5	205	19	32	483					
Total, 50 States ²	314,467	800,442	16,861,315	53.62	+1.0	+0.9	+0.9	+23.7	+25.2	+39.5									
Alabama	6,811	18,989	193,436	28.40	+9	+4	+2	+31.7	+32.0	+47.4	428	17	12	182					
Alaska	124	334	5,951	47.99	+9.7	+8.1	+8.7	(3)	(3)	(3)	348	23	53	1,004					
Arizona	1,776	5,129	70,827	39.88	-2.5	-2.5	-1.5	+28.0	+28.4	+29.4	224	18	28	236					
Arkansas	4,632	12,449	131,619	28.42	+2.0	+2.4	+2.6	+10.3	+12.8	+24.0	240	10	55	421					
California	8,146	20,560	747,623	91.78	+2.0	+2.0	+5.4	+26.3	+25.7	+38.0	402	28	26	577					
Colorado	3,619	9,856	222,439	61.46	-6	-6	-9	+16.9	+16.4	+28.8	99	13	6	-----					
Connecticut	2,704	6,673	251,978	93.19	-1.1	-1	-9	+1.5	+34.1	+28.8	52	10	9	108					
Delaware	266	762	20,186	75.89	-2.6	-2.7	-2.0	-3.3	-3.7	+9.6	47	12	12	-----					
District of Columbia	812	2,509	53,446	65.82	+2.8	+6.0	+3.9	+36.5	+38.2	+31.1	302	25	49	-----					
Florida	6,643	16,303	226,990	34.17	+5	+4	+6	+19.3	+18.2	+21.4	390	10	26	156					
Georgia	4,867	12,412	134,090	27.55	+1.8	+2.3	+2.8	+24.6	+26.8	+37.5	266	22	33	156					
Hawaii	645	2,051	46,864	72.66	-2.1	-6	-9	+29.5	+32.5	+53.4	192	24	42	505					
Idaho	1,450	3,831	107,909	74.42	+1.4	+6	+21.9	+24.1	+22.6	+74.4	177	15	33	744					
Illinois	21,585	52,755	1,496,047	68.85	-9	-4	+4	+0.3	+11.6	+50.6	195	13	30	429					
Indiana	6,706	16,228	255,674	38.28	+1.7	+1.7	+1.6	+13.2	+17.2	+18.5	174	17	35	359					
Iowa	3,592	9,179	121,044	33.70	+1.4	-3	-1	+19.6	+22.3	+48.2	215	15	33	-----					
Kansas	3,537	9,069	204,059	57.86	+1.3	+1.0	+2.5	+26.1	+26.9	+48.3	281	28	22	417					
Kentucky	5,866	15,358	171,346	29.21	+2.5	+2.0	+10.1	+23.1	+20.5	+66.4	183	17	52	641					
Louisiana	9,566	24,946	369,982	38.68	+5	-5	-7	+7.8	+6.2	+1.8	84	18	12	798					
Maine	1,553	4,413	111,572	71.84	-1.8	-1.5	-1.9	+18.4	+19.2	+32.6	194	17	16	570					
Maryland	3,857	11,098	145,101	37.62	+9	+4	+3.8	+34.8	+35.8	+78.6	235	23	18	850					
Massachusetts	8,198	20,431	689,832	84.15	-6	-8	-9	+15.5	+16.8	+21.7	227	16	24	479					
Michigan	17,003	40,690	1,170,038	68.81	+9	+9	+6	+33.8	+32.6	+47.3	298	26	44	337					
Minnesota	5,152	13,119	278,976	54.15	+2	+3	+5	+13.4	+13.5	+30.1	206	16	23	298					
Mississippi	3,551	9,336	93,338	26.28	+4	+4	+4.5	+23.2	+25.7	+24.8	193	11	22	800					
Missouri	15,265	40,192	443,396	29.05	+2	+2	+2.4	+17.9	+39.3	+42.2	110	28	30	537					
Montana	1,420	3,903	77,021	54.24	-2	-2	-2.9	+11.7	+17.7	+31.3	120	21	11	680					
Nebraska	2,573	6,112	171,463	66.64	+1	+1	+1.3	+18.7	+21.3	+142.0	249	16	19	255					
Nevada	48	116	1,488	(3)	(3)	(3)	(3)	(3)	(3)	(3)	250	34	28	434					
New Hampshire	920	2,335	65,456	71.15	-2	-2	-2.7	-2.1	+22.8	+25.4	201	29	27	-----					
New Jersey	3,604	9,128	236,734	65.69	-3	+1	+5	+14.7	+16.3	+25.9	462	10	42	-----					
New Mexico	2,895	7,613	105,740	36.53	+1	+1	+1.5	+11.6	+12.2	+10.2	367	23	23	545					
New York	29,253	70,750	2,383,994	81.50	+1	+1	+1.4	+2.0	+3.8	+59.1	198	19	14	222					
North Carolina	6,388	17,321	178,048	27.97	-7	-4	-1.4	-1.2	+5.7	+11.4	191	11	27	577					
North Dakota	1,485	4,158	91,811	61.83	+3	+3	+7	+1.4	+3.4	+3.4	538	64	51	-----					
Ohio	8,229	22,647	478,311	58.13	-4	-4	-1.4	(3)	+14.1	+15.0	193	11	22	800					
Oklahoma	20,334	49,661	712,455	35.04	+2	+2	+2.9	+2.9	+36.5	+38.6	110	28	30	537					
Oregon	1,447	3,603	124,576	86.09	+1	+1	+1.6	+1.5	+17.6	+20.7	120	21	11	680					
Pennsylvania	32,249	83,958	2,115,655	65.60	+1	9	+1.2	+1.7	+45.4	+43.3	249	16	19	255					
Rhode Island	1,790	4,578	123,751	60.13	+1	3	+1.2	+2.2	+44.0	+42.9	253	22	22	320					
South Carolina	4,410	12,863	95,803	21.72	+2	+0	+1.9	+6.2	+18.8	+18.2	201	29	27	-----					
South Dakota	1,702	4,227	68,985	40.53	+6	+6	+9	+1.1	+20.4	+23.8	193	11	27	577					
Tennessee	11,811	31,204	344,987	29.21	+7	+7	+9	+8.0	+9.3	+4.2	145	15	27	450					
Texas	9,627	23,826	237,063	24.62	+3	+3	+3.2	+3	-13.4	-2.1	85	10	16	233					
Utah	2,089	5,625	161,225	77.18	+4	+8	+1.6	+11.6	+16.2	+16.8	375	24	24	719					
Vermont	615	1,636	22,053	35.87	+1	0	+1.0	+1.5	+5.1	+11.7	165	31	32	400					
Virginia	3,707	10,651	118,496	31.97	-2	-2	-2.4	-0.3	+8.9	+9.9	173	16	30	407					
Washington	5,332	13,098	527,511	98.03	+2	+2	+2.1	+2.1	+50.2	+48.6	226	11	41	254					
West Virginia	8,061	22,415	235,709	29.24	+7	+7	+6.7	+14.2	+13.7	+20.1	173	16	30	407					
Wisconsin	6,284	15,619	406,388	64.69	-9	-7	-4	+18.1	+20.6	+38.6	316	880	22,594	71.50	-1.2	+16.3	+12.9	+14.3	+36.4

¹ For definitions of terms see the *Bulletin*, July 1945, pp. 27-28. Figures in italics represent program administered without Federal participation. Data exclude programs administered without Federal participation in Florida, Kentucky, and Nebraska, which administer such programs concurrently with programs under the Social Security Act. All data subject to revision.

² Under plans approved by the Social Security Administration.

³ Average payment not calculated on base of less than 50 families; percentage change, on less than 100 families.

⁴ Decrease of less than 0.05 percent.

¹ Population aged 65 and over as of April 1946 estimated by the Social Security Administration.

² Population under 18 as of July 1945 estimated by the Social Security Administration. For Nevada, rate is for program administered without Federal participation.

³ Blind population estimated for 1940; see the *Bulletin*, March 1945, p. 18. For Nevada and Pennsylvania, rates are for programs administered without Federal participation. Number of recipients for Missouri not currently available.

⁴ Civilian population as of July 1945 estimated by the Bureau of the Census. For Indiana and New Jersey rates include unknown number of persons receiving medical care, hospitalization, and burial.

⁵ Rate is understatement because only 1 recipient is reported when a single payment is made to husband and wife, both 65 or over; extent of understatement differs among States; see the *Bulletin*, September 1945, p. 21.

assistance and/or administration. Under the 1946 amendments, Federal funds for administering old-age assistance will equal half the cost of operating the program—the provision in effect for aid to dependent children and aid to the blind.

Under the original addendum provision, the percent of administrative costs of old-age assistance paid from Federal funds varied considerably among the States—from 14 to 74 percent in 1945. Under the amendments, 40 States will receive more Federal money, and 11 States will receive less.

Program Operations

Small national increases in case loads and payments under the special types of public assistance in July continued the postwar trend in these programs. The 1-percent increases in number of families receiving aid to dependent children and in payments for aid to the blind were the largest

country-wide changes in these three types. Adjustments of State standards to meet higher price levels and changes, in both directions, in the percent of need met by assistance payments resulted in substantial changes in average payments in a few States.

General assistance, which tends to fluctuate more than the other programs from month to month, rose very slightly in number of cases and somewhat more in total payments, after having shown decreases in the preceding 3 months.

The proportions of particular population groups aided under each of the four programs in the various States in June 1946 are presented in table 7.

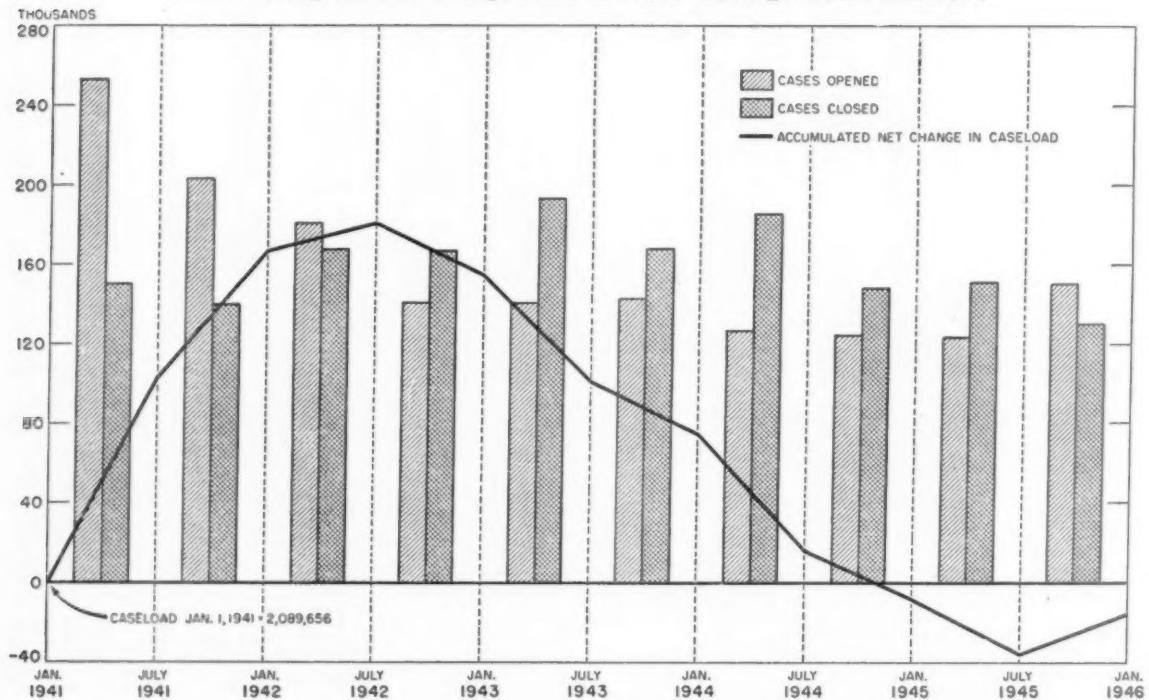
Variations in State and local administrative practices, of course, affect the comparability of recipient rates—especially for general assistance. For example, without supplementation of aid to dependent children by general assistance, the Arizona general assistance rate would have been about 700 instead of 1,004, and the Maryland rate, about 300 instead of 798.

Closing Rates for Special Types of Public Assistance, 1941-45

The size of public assistance case loads is largely determined by general economic conditions, but other factors, such as administrative policies and practices and the financial ability of State agencies, may accentuate or partly counteract their effect. An analysis of the rate at which people leave the assistance rolls and the reasons their cases are closed helps to evaluate the effect of economic conditions and other factors on the case loads. Such analysis, together with data on intake, reveals what is happening to the assistance loads at a given time and the reasons for the trend. Examination of intake and closing rates from 1941 to 1946 is particularly informative, since the period from before the attack on Pearl Harbor through the beginning of the reconversion was one of rapid economic change.

In aid to dependent children, the number of families leaving the rolls reached an unprecedented peak in the last half of 1942. In old-age assistance

Chart 1.—Old-age assistance: Cases opened and cases closed and net effect on case load, 1941-46



and aid to the blind, the peaks in closings were not reached until the first half of 1943. In each program, while cases closed were increasing, cases opened for assistance fell to new low levels. Then, when the number of cases closed declined, the number of cases opened dropped so low that they were exceeded by the cases closed until 1945, when for the first time since 1942 cases added were more numerous than cases closed.

As the result of these changes in intake and closings, the old-age assistance case load began to decline in the second half of 1942 and in 1945 reached a point lower than before the war. Although the downward trend was reversed in the second half of 1945, the case load at the end of the year was still below that at the beginning of the war (chart 1).

The load in aid to dependent children, which reached its peak in the first half of 1942, had increased much less rapidly than in old-age assistance. The decline therefore brought the aid to dependent children case load far below prewar levels, where it remained at the close of 1945 despite a reversal of trend in that year (chart 3).

It should be noted that the decrease in cases added to the aid to dependent children rolls took place notwithstanding the cases added by some new State programs which came under the Social Security Act during the period. Also, the increase in closings in old-age assistance and aid to dependent children occurred simultaneously with changes in legislation or policy in some States which liberalized the pro-

Table 8—Old-age assistance: Number of cases closed for specified reason per 1,000 open cases in States with approved plans, by 6-month period, July 1941–December 1945

Reason for closing	1941, July– Dec.	1942		1943		1944		1945	
		Jan.– June	July– Dec.	Jan.– June	July– Dec.	Jan.– June	July– Dec.	Jan.– June	July– Dec.
Total cases closed	55.3	67.1	68.1	80.5	71.2	80.0	65.5	67.7	58.2
Death	33.6	40.2	34.1	41.8	36.0	45.8	35.2	41.4	35.5
Need of recipients or spouse decreased	12.8	17.1	23.4	28.0	24.9	23.9	20.3	16.8	12.7
Employment	(1)	(1)	(1)	(1)	11.4	10.5	8.4	6.6	4.5
Recipient	(1)	(1)	(1)	(1)	6.9	6.0	5.1	4.2	3.0
Spouse	(1)	(1)	(1)	(1)	1.4	1.3	1.1	.9	.6
Other person in home	(1)	(1)	(1)	(1)	3.0	3.2	2.1	1.4	.9
Receipt of allowances from men in armed forces	0	0	(1)	4.1	3.8	3.4	3.1	2.5	1.5
Other resources of recipient or spouse	(1)	(1)	(1)	(1)	5.2	5.0	5.2	4.6	4.3
Other resources of persons in home	(1)	(1)	(1)	(1)	1.7	1.3	.9	.9	.7
Increased support from persons outside home	(1)	(1)	(1)	(1)	2.8	3.7	2.8	2.3	1.7
Admitted to institution	3.3	3.7	3.8	4.2	4.2	4.7	4.5	4.6	4.3
Receipt of other public or private aid	1.4	1.2	.9	.7	.5	.3	.4	.4	.4
Loss of eligibility for reasons other than decreased need	2.5	2.6	2.6	2.5	3.0	2.5	2.2	1.8	2.4
Change in agency policy	.5	.7	.3	.4	.4	.3	.1	.1	.7
Refusal after acceptance to comply with established regulations	.2	.2	.2	.1	.4	.7	.4	.3	.3
Originally ineligible under State plan	.5	.5	.5	.4	.6	.3	.5	.2	.2
Moved out of State	1.3	1.3	1.6	1.6	1.6	1.3	1.2	1.2	1.2
Other reasons	1.7	2.3	3.3	3.3	2.6	2.8	2.9	2.7	2.9

¹ Information not available.

grams and would be expected to decrease closings.

Because of new programs added, the aid to the blind case load did not reach its highest point until early in 1944. Although it has been declining since then, it is still, unlike old-age assistance and aid to dependent children, much higher than at the beginning of the war. For those States which were operating programs under the Social Security Act at the beginning of the war, the case load reached its peak in 1942 and then declined, but less rapidly than old-age assistance and aid to dependent children, to its

lowest point in 1945. By the end of 1945, a slight upturn was shown (chart 2).

In the following discussion the discontinuance rates of the three programs are analyzed to show trends in reasons for closing from July 1941 through December 1945 in all States combined and differences among States in reasons for closing. The decrease in the number of closings was, of course, partly a function of the rapidly shrinking case load, since there were fewer cases available to be closed as time went on. For this reason, the rate per 1,000 open cases gives

Chart 2.—Aid to the blind: Cases opened and cases closed and net effect on case load, 1941–46

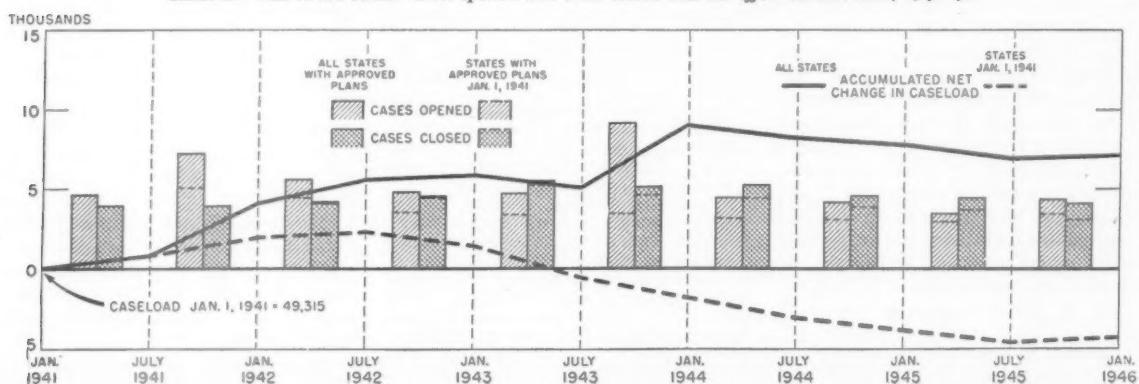
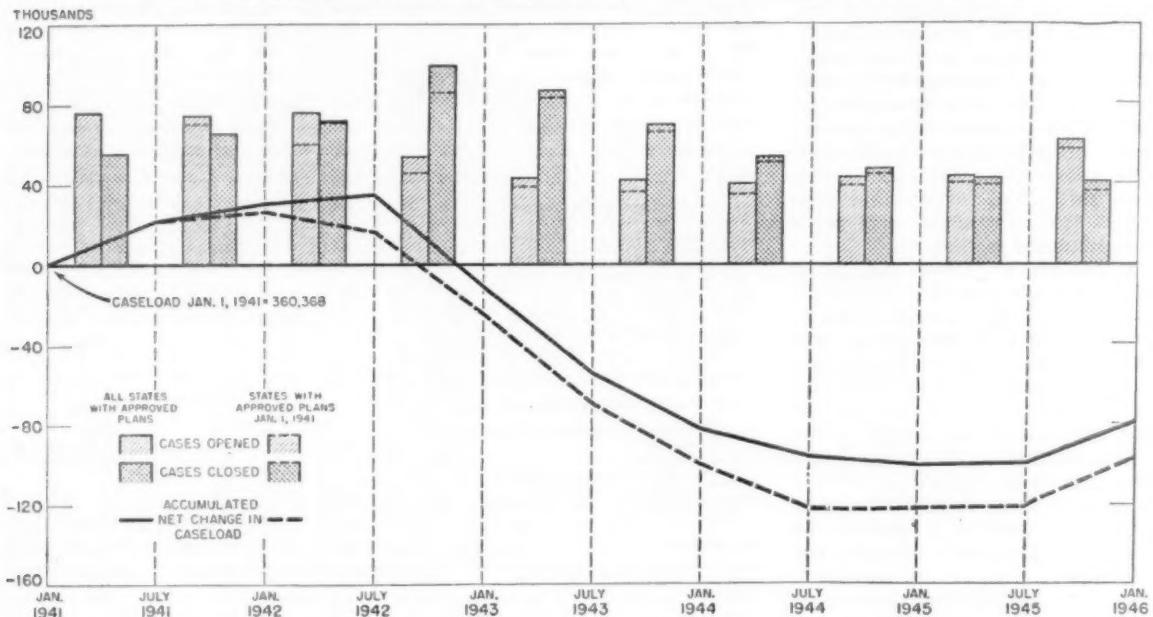


Chart 3.—*Aid to dependent children: Cases opened and cases closed and net effect on case load, 1941-46*

a better picture of the way economic and social factors were affecting the case loads at different times than the number or proportion of cases closed for particular reasons.

Old-Age Assistance

Total Closings

All States.—For every 1,000 recipients of old-age assistance in the country as a whole, the number of cases closed in the second half of the year increased from 55 in 1941 to 71 in 1943 and dropped to 58 in 1945. The closing rate is generally higher during the first half of the year because the death rate among old people is higher in those months. The highest rate of closing for any semiannual period in the 4½ years (81) occurred in the first half of 1943 (table 8).

State differences.—The increase in closings was not shared equally by all States, nor was the peak in closings reached by all States at the same time. The highest rate of closing for 33 States occurred in the first half of 1943; 6 States¹ reached the peak

earlier and 12 States² later. The highest rate in any 6-month period was 59 in Oklahoma; 61 in Arizona; 64 in Colorado; and less than 80 in 12 other States.³ On the other hand, more than 100 per 1,000 open cases were closed by Delaware in each of 6 periods, by Pennsylvania in each of 5 periods, and by 14 States⁴ in one or more periods.

During the second half of 1945 the rate of closing in 17 States was lower than for the corresponding period in 1941, and in 3 States it was the same. Only 4 States closed more than 80 cases per 1,000 open cases (table 9).

Death

All States.—Because of the advanced age of the recipients, death is

¹ Massachusetts, second half of 1943; Illinois, North Carolina, Ohio, Texas, Utah, and Vermont, first half of 1944; Arizona, Georgia, Kentucky, and Wyoming, first half of 1945; Arkansas, second half of 1945.

² California, Florida, Georgia, Iowa, Maine, Minnesota, North Dakota, Ohio, South Dakota, Texas, Utah, Washington.

³ Arkansas, Connecticut, the District of Columbia, Hawaii, Illinois, Indiana, Maryland, Massachusetts, Montana, New Jersey, New York, Tennessee, Virginia, West Virginia. Change in agency policy was responsible for closing a large number of cases in Arkansas and West Virginia.

by far the most important reason for closing cases of old-age assistance. In each year since the beginning of the program, at least half the closings have been caused by the death of the recipient. Death was the reason for discontinuing assistance for 36 of every 1,000 recipients in the United States in the second half of 1945. In the 4½-year period the rate for the second half of the year has been between 34 and 36. For the first half, when deaths are more numerous, the rate varied from 40 in 1942 to 46 in 1944. The slight increase in the number of deaths per 1,000 open cases doubtless results from the fact that the assistance rolls in recent years contain a smaller proportion of younger and able-bodied persons.

State differences.—States show a marked dissimilarity in the death rate of recipients of old-age assistance. In the second half of 1945, this rate varied from 27 in Arizona and Oklahoma to 48 in the District of Columbia. Moreover, throughout the 4½ years, the rate has been uniformly high in some States and uniformly low in others.

This disparity among States in the death rate of recipients is explained

¹ Hawaii, Nevada, and Tennessee, first half of 1942; Alabama, Michigan, and Rhode Island, second half of 1942.

largely by differences in the age composition of the case loads. The length of time a program has been in operation, the availability of employment for older persons, and the policies and practices with respect to giving assistance to aged persons who are employable, all contribute to differences among States in the age of recipients.

Decreased Need

Next to death, decreased need has always been the most important single reason why aged recipients leave the rolls. It accounted for one-fifth to more than one-third of the cases closed annually in the past 5 years. Fluctuation in the number of cases closed because of decreased need is

primarily responsible for the changes in total closing rates, since the rates for all other reasons have remained relatively constant. Closings because of decreased need fail, however, to reflect the full effect on the old-age assistance case load of improved economic conditions. In a number of States, recipients who had earnings

Table 9.—Old-age assistance: Number of cases closed for specified reason per 1,000 open cases in States with approved plans, by State, July–December 1945

State	Total number of cases closed	Number of cases closed per 1,000 open cases															
		Need of recipient or spouse decreased ¹															
		Total		Death		Employment					Other resources			Admitted to institution ²	Receipt of other public or private aid ³	Loss of eligibility for reasons other than decreased need ⁴	Other reasons ⁵
						Total	Recipient	Spouse	Other person in home	Receipt of allowances from men in armed forces	Recipient or spouse	Other persons in or outside home					
51 States	128,436	58	36	13	5	3	1	1	1	2	4	2	4	(1)	2	3	
Alabama	1,912	50	36	7	3	2	(1)	(1)	2	2	1	2	1	2	2	1	1
Alaska	98	67	44	6	4	4	2	(1)	(1)	2	2	8	2	2	2	6	6
Arizona	463	45	27	6	2	2	(1)	(1)	2	2	1	4	2	2	2	6	6
Arkansas	3,276	112	35	33	9	6	1	2	6	10	9	3	2	3	30	1	1
California	9,062	53	31	13	5	3	1	1	(1)	7	2	1	1	1	1	1	5
Colorado	1,048	45	32	6	4	3	1	1	(1)	1	1	2	1	1	1	1	1
Connecticut	839	54	42	4	2	1	(1)	1	(1)	1	1	6	10	1	1	2	2
Delaware	163	118	25	19	2	2	1	2	1	1	2	6	18	1	1	3	3
District of Columbia	233	91	48	16	8	5	2	1	(1)	2	4	1	19	5	5	3	3
Florida	2,076	46	34	9	3	2	1	(1)	2	1	1	1	1	1	2	(1)	(1)
Georgia	3,804	53	36	13	4	3	1	(1)	4	2	2	2	2	2	2	2	2
Hawaii	95	59	35	6	2	2	1	(1)	1	12	12	1	1	1	1	1	4
Idaho	636	61	34	22	6	5	1	1	1	1	2	3	3	1	1	3	3
Illinois	7,131	55	39	9	5	3	1	1	1	8	7	5	5	3	3	1	1
Indiana	4,393	74	40	24	8	4	1	3	(1)	1	3	1	4	1	1	1	1
Iowa	2,552	50	38	7	3	2	1	(1)	(1)	1	3	1	1	1	1	1	1
Kansas	1,934	62	37	17	7	5	1	1	1	2	6	4	4	1	2	2	2
Kentucky	4,739	93	36	45	9	4	1	4	6	12	19	4	4	1	7	1	1
Louisiana	1,929	49	35	10	1	1	1	(1)	3	5	2	1	1	1	1	1	1
Maine	914	58	44	10	3	2	1	(1)	1	1	5	1	2	1	1	1	1
Maryland	823	66	41	14	5	3	1	1	1	1	3	5	7	1	2	1	1
Massachusetts	5,862	71	39	12	4	3	(1)	(1)	(1)	6	3	6	6	1	13	9	9
Michigan	5,645	61	36	10	5	4	1	(1)	1	1	1	2	5	1	1	1	1
Minnesota	5,147	54	39	10	5	3	1	1	1	3	3	3	3	1	1	1	1
Mississippi	1,461	52	36	10	2	1	(1)	(1)	1	4	2	2	2	2	2	3	1
Missouri	6,175	57	36	8	6	2	1	3	1	1	1	3	1	1	1	8	4
Montana	879	77	39	24	10	8	1	1	1	12	2	6	2	2	2	2	4
Nebraska	1,502	62	36	20	7	6	1	(1)	1	9	9	3	2	2	3	1	1
Nevada	113	53	34	9	3	2	(1)	1	1	5	(1)	9	9	1	1	1	1
New Hampshire	427	61	43	8	5	3	1	1	(1)	2	1	6	1	1	2	1	1
New Jersey	1,858	74	45	15	6	4	(1)	2	(1)	2	6	10	3	3	2	2	2
New Mexico	382	57	38	11	4	3	1	(1)	3	3	1	1	6	1	1	1	1
New York	8,380	74	36	11	4	3	(1)	1	(1)	2	4	13	1	1	2	11	1
North Carolina	2,100	59	40	10	3	2	(1)	(1)	3	2	1	4	3	1	2	2	1
North Dakota	587	63	43	10	4	4	1	1	1	2	3	1	4	4	4	1	1
Ohio	6,874	56	39	12	5	3	1	1	1	1	4	2	4	1	1	1	1
Oklahoma	3,273	39	27	9	2	2	2	(1)	(1)	1	1	1	1	1	1	2	2
Oregon	1,154	52	38	10	3	2	1	(1)	1	1	6	2	2	2	2	3	6
Pennsylvania	6,009	76	37	19	8	6	2	2	1	2	5	9	2	1	2	2	2
Rhode Island	485	61	33	9	4	2	1	1	1	4	1	17	(1)	1	1	2	2
South Carolina	1,227	52	38	9	2	1	(1)	1	3	2	1	2	1	1	3	(1)	(1)
South Dakota	573	50	37	10	3	2	(1)	(1)	1	5	1	2	1	1	2	(1)	(1)
Tennessee	2,340	58	39	13	5	3	1	1	3	4	1	3	1	1	2	2	(1)
Texas	8,261	45	28	11	4	3	1	(1)	2	5	(1)	1	1	1	3	1	1
Utah	500	57	38	13	5	4	1	(1)	1	7	1	3	1	1	1	1	1
Vermont	376	67	38	19	12	7	3	2	3	4	1	5	1	1	4	1	1
Virginia	1,094	68	41	12	5	2	1	2	2	5	5	1	1	1	3	3	3
Washington	2,836	44	31	10	2	2	(1)	1	(1)	8	(1)	2	2	2	2	(1)	2
West Virginia	1,284	70	37	20	10	5	1	4	5	5	1	6	1	1	4	2	2
Wisconsin	2,706	56	38	11	5	3	1	1	1	4	1	5	5	1	1	(1)	1
Wyoming	206	56	35	14	6	5	1	1	1	7	(1)	5	5	1	1	1	1

¹ Except by receipt of assistance.

² Otherwise eligible for old-age assistance.

³ Includes moved out of State, change in agency policy, refusal after acceptance to comply with established regulations, and originally ineligible under State plan.

⁴ Includes cases for which reason was not known.

⁵ Less than one-half case per 1,000 open cases.

⁶ Includes 33 closed because of changes in agency policy.

⁷ Includes 17 closed because children were considered able to support.

sufficient to make them ineligible for assistance were kept on the rolls, and payments were merely suspended in order that assistance might be promptly resumed when necessary. Also, increased earnings, although not sufficient to close the case, made it possible in some instances to reduce the payment.

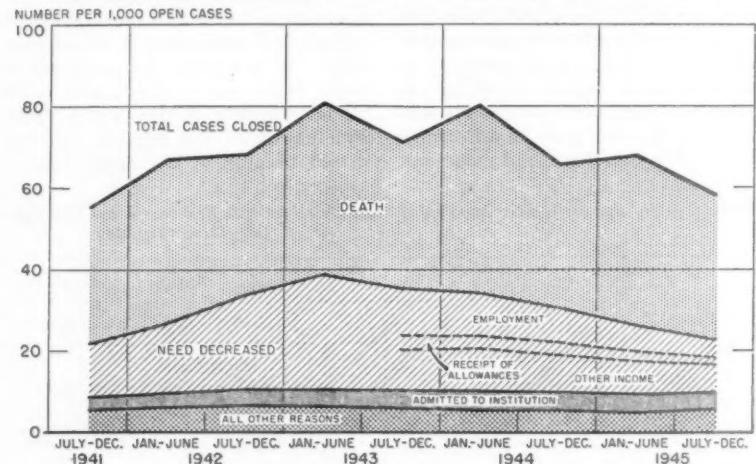
All States.—At its peak, in the first half of 1943, the number of cases closed because of decreased need per 1,000 open cases (28) was more than twice as large as in the second half of 1941. By the last 6 months of 1945 the rate had declined to the prewar level of 13 (table 8). The sharp rise in the early part of the war was brought about chiefly by an increase in earnings as more persons, including the aged, were able to find jobs, and partly by the receipt of allowances from men in the armed forces. Also, the general improvement in economic conditions served to increase the resources of some recipients during the war. The decline in closings began while the demand for labor was still great, because most of the recipients who were able to work or to find suitable employment had already left the rolls.

In the second half of 1943 and the same period in 1945, the source of income in cases closed because need had decreased was as follows:

Source of income	Cases closed per 1,000 open cases, July-December		Percentage decrease
	1943	1945	
Need for assistance decreased	24.9	12.7	49
Employment or increased earnings	11.4	4.5	61
Recipient	6.9	3.0	57
Spouse	1.4	.6	57
Other person in home	3.0	.9	70
Receipt of allowances from men in the armed forces	3.8	1.5	61
Other resources of recipient or spouse	5.2	4.3	17
Contributions (excluding those from employment of persons in home)	4.5	2.4	47

State differences.—Largely because of differences in employment opportunities, but to some extent because of differences in State policy and practice, the rate at which aged persons left the rolls because of decreased

Chart 4.—Old-age assistance: Cases closed for specified reason per 1,000 open cases in States with approved plans, by 6-month period, July 1941–December 1945



need has varied widely among States. In the last 6 months of 1945 the rate ranged from 4 in Connecticut to 45 in Kentucky (table 9). During the 4½ years the highest rate in any semiannual period was 25 or less in 17 States,⁶ while the rate for one or more periods was between 40 and 50 in 12 States⁷ and more than 50 in 4 States.⁷ For the most part, the first group of States had few or no war industries to provide additional work opportunities to recipients and their families.

Institutional Care

All States.—Since the Social Security Act permits assistance payments to residents of private institutions, the majority of cases closed because of institutional care concerns a recipient who is to live in a public institution. The wartime shortage of housekeeping help and of facilities for boarding and nursing home care resulted in more aged persons entering public institutions than might do so in normal times. Of every 1,000 cases receiving assistance in the second half

of 1941, 3 were closed because the recipient entered an institution. This rate increased to 5 in 1944 and dropped to 4 in the second half of 1945 (table 8).

State differences.—The disparity among States in the rates at which cases were closed because the recipient entered an institution may be explained partly by differences in the provisions for nursing and boarding home care for recipients who need this type of living arrangement and in the availability of public institutions caring for the aged. The rate varied among States in the second half of 1945 from 1 in Florida, Louisiana, New Mexico, Oklahoma, and Texas to 19 in the District of Columbia (table 9). For the 9 semiannual periods covered by this analysis, the average number of aged persons admitted to an institution per 1,000 on the rolls was less than 2 in 9 States⁸ but more than 10 in 5 States.⁹ Rhode Island had the highest average rate, 18.

Other Reasons

Reasons for closing other than those discussed above include the receipt of other public or private aid, loss of residence or moving from the State, change in agency policy, original ineligibility under State plan, refusal to

⁶ Alaska, Arizona, Colorado, Florida, Georgia, Iowa, Maine, Minnesota, Nevada, New Hampshire, North Dakota, Ohio, Oklahoma, South Dakota, Utah, Vermont, Wyoming.

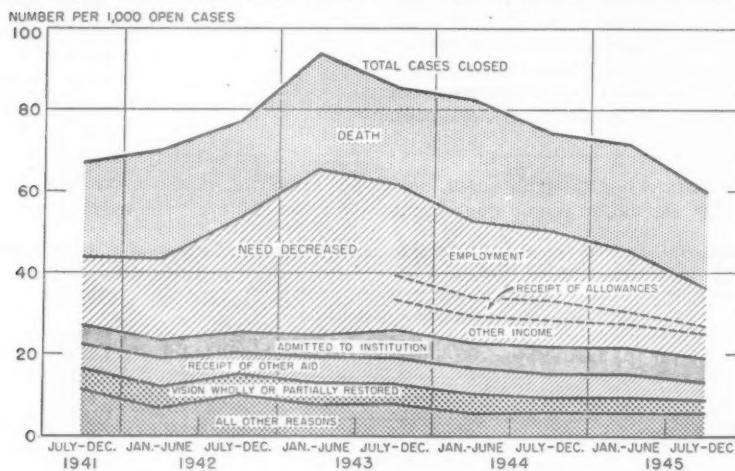
⁷ Alabama, Connecticut, Delaware, the District of Columbia, Indiana, Kentucky, Maryland, Michigan, Montana, New Jersey, New York, West Virginia.

⁸ Hawaii, Illinois, Massachusetts, Pennsylvania.

⁹ Alabama, Colorado, Florida, Georgia, Louisiana, New Mexico, Oklahoma, South Dakota, Texas.

⁹ Delaware, the District of Columbia, Hawaii, New York, Rhode Island.

Chart 5.—Aid to the blind: Cases closed for specified reason per 1,000 open cases in States with approved plans before July 1, 1941, by 6-month period, July 1941–December 1945



comply with regulations, and so on. Individually these reasons are relatively unimportant; the number of closings for all these reasons combined varied in the last 9 semiannual periods from 5 to 7 per 1,000 open cases in the country as a whole.

Aid to the Blind

Cases added to the rolls by new State programs coming under the Social Security Act kept the aid to the blind case load from falling off during the war to the same extent as the old-age assistance case load. Three States now operating programs of aid to the blind under the Social Security Act were not doing so before July 1, 1941.¹⁰ In order to eliminate the effect of any abnormal rate of closing resulting from the newness of a program, these States have been omitted in computing the rates for the country as a whole and from the discussion of differences among States.

In 7 States¹¹ the case load was less than 200 throughout the period under consideration. These States have been included in the closing rates for the country as a whole but are disregarded in the discussion of differences among States.

¹⁰ Aid to the blind under the Social Security Act became effective in Texas July 1, 1941; in Kentucky April 1, 1942; and in Illinois July 1, 1943.

¹¹ Connecticut, Hawaii, North Dakota, Rhode Island, Utah, Vermont, Wyoming.

less, while that for old-age assistance remains slightly higher, than before the war (charts 4 and 5). A higher rate of turn-over is to be expected because of the greater potentialities for self-support among recipients of aid to the blind. Another contributing factor is the practice in some States of transferring recipients of aid to the blind to old-age assistance when they become 65 years of age.

For every 1,000 recipients of aid to the blind in the country as a whole, the number whose cases were closed in the second half of the year increased from 67 in 1941 to 85 in 1943, and dropped to the lowest point, 60, in 1945. The rates for the first half of the year are generally somewhat higher, partly because, as among recipients of old-age assistance, deaths are more frequent at this time of year. The peak of closings (94 per 1,000 open cases) occurred in the first half of 1943 (table 10).

State differences.—State trends in closing rates were less uniform than for old-age assistance. Among the States which operated both programs, three-fourths had their highest rate of closing for old-age assistance in the

Total Closings

The rate of closing was slightly higher than that for old-age assistance but followed the same general trend. Unlike old-age assistance, however, aid to the blind does not show a tendency to level off in recent periods, and the rate of closing is now

Table 10.—Aid to the blind: Number of cases closed for specified reason per 1,000 open cases in States with approved plans before July 1, 1941,¹ by 6-month period, July 1941–December 1945

Reason for closing	1941, July- Dec.	1942		1943		1944		1945	
		Jan.- June	July- Dec.	Jan.- June	July- Dec.	Jan.- June	July- Dec.	Jan.- June	July- Dec.
Total cases closed	67.1	70.4	77.2	93.7	85.3	82.4	74.3	71.7	59.9
Death	23.1	26.8	23.5	28.6	23.8	29.7	24.0	26.2	23.5
Need of recipient or spouse decreased	16.8	20.0	28.2	40.3	35.6	29.9	28.5	23.9	17.4
Employment	(*)	(*)	(*)	(*)	22.2	18.5	17.0	14.6	9.4
Recipient	(*)	(*)	(*)	(*)	13.9	11.4	11.0	9.7	6.2
Spouse	(*)	(*)	(*)	(*)	4.4	4.2	3.5	3.0	1.8
Other person in home	(*)	(*)	(*)	(*)	3.9	2.9	2.5	1.9	1.4
Receipt of allowances from men in armed forces	0	0	(*)	4.6	5.9	4.7	4.8	3.2	1.9
Other resources of recipient or spouse	(*)	(*)	(*)	(*)	4.8	4.1	4.0	4.0	4.3
Other resources of persons in home	(*)	(*)	(*)	(*)	1.6	1.4	1.3	1.0	.9
Increased support from persons outside home	(*)	(*)	(*)	(*)	1.1	1.2	1.5	1.0	.9
Receipt of other public or private aid	5.9	7.0	5.0	6.6	6.1	6.1	6.0	5.6	4.3
Admitted to institution	4.8	4.5	5.3	5.2	6.9	6.0	6.3	6.4	5.9
Vision wholly or partially restored	5.0	5.1	5.2	5.2	5.0	5.2	3.8	3.9	3.2
Loss of eligibility for reasons other than decreased need or restoration of sight	7.8	3.2	4.0	3.7	5.3	2.5	2.6	2.7	2.9
Change in agency policy	5.1	.8	.3	.7	.4	.1	(*)	.1	.7
Refusal after acceptance to comply with established regulations	.3	.1	.1	.1	.6	.6	.4	.3	.3
Originally ineligible under State plan	1.0	.8	1.7	1.0	2.5	.7	.8	.6	.6
Moved out of State	1.3	1.5	1.9	1.9	1.8	1.2	1.4	1.7	1.4
Other reasons	3.6	3.7	6.0	4.1	2.7	3.0	3.1	3.0	2.7

¹ Excludes the following States which now have approved plans: Illinois, Kentucky, and Texas.

² Information not available.

³ Less than 0.05 case per 1,000 open cases.

first half of 1943, whereas only 12, or one-third, had their highest rate of closing for aid to the blind in this period.

During the 9 semiannual periods under study, not quite one-third of the States reached a closing rate of more than 100 for old-age assistance, whereas 19, or more than half the States, reached this rate for aid to the blind.

In the second half of 1945 the rate of closing varied from 31 to 102 (table 11). The State with a rate of more than 100 closed a large proportion of cases because of change in agency policy. The rate of closing was less than 70 in almost four-fifths of the States.

Death

All States.—Although death is normally the major reason for closing

cases of aid to the blind, in the last 9 semiannual periods the average rate of closing because of death (26) was slightly less than that because of decreased need (27). A high death rate is to be expected from the high proportion of older persons on the rolls. Approximately 32 percent of the recipients of aid to the blind are 65 years and over; the average age is

Table 11.—*Aid to the blind: Number of cases closed for specified reason per 1,000 open cases in States with approved plans, by State, July-December 1945*

State	Total number of cases closed	Number of cases closed per 1,000 open cases														
		Need of recipient or spouse decreased ¹														
		Employment			Other resources			Admitted to institution ²	Recipient of other public or private aid ³	Vision wholly or partially restored	Loss of eligibility for reasons other than decreased need or restoration of sight ⁴	Other reasons ⁴				
		Total	Death	Total	Total	Recipient	Spouse	Other person in home	Receipt of allowances from men in armed forces	Recipient or spouse	Other persons in or outside home					
Total, 46 States	3,871	64	23	17	9	6	2	1	2	4	2	5	4	3	8	3
Total, 43 States ⁵	2,895	60	23	17	9	6	2	1	2	4	2	6	4	3	3	3
Alabama	49	57	14	12	6	6			3	1	1	3	23		2	2
Arizona	37	71	27	4	2			2		2	4	11	21		4	
Arkansas	130	102	19	38	15	13	2		11	9	3	2	9	2	32	
California	351	59	29	11	4	1	1	2	1	6	1	10	3	5	1	1
Colorado	54	79	19	13	10	6	4		3			33	10		1	1
Connecticut	6	(?)	(?)	(?)						(?)		(?)	(?)	(?)	(?)	
District of Columbia	14	66	28	19	14	5	9		5			14			5	5
Florida	90	37	23	8	2	(?)	1	(?)	2	4	1	3	2	(?)	2	
Georgia	97	45	20	17	13	7	3	3		(?)	3	4		(?)	2	1
Hawaii	5	(?)	(?)	(?)						(?)	(?)	(?)	(?)			
Idaho	19	87	50	23	9	9			14			9	5			
Indiana	170	78	28	34	17	7	6	4	2	6	9	5	1	7	3	1
Iowa	81	63	31	21	15	12	2	1	1	5	2	6	2	2	2	1
Kansas	76	66	27	21	9	7	1	1	2	9	2	2	3	7	3	2
Louisiana	74	51	19	11	5	4		1	3	2	1	4	8	6	1	1
Maine	45	53	36	15	3	2		1		12						
Maryland	31	67	28	22	17	11	4	2		4	7	4	2	2	4	
Massachusetts	73	68	21	18	14	11	1	2		3	1	11	10	2	2	4
Michigan	88	62	18	19	12	9	2	1		3	4	1	9	1	3	11
Minnesota	64	62	29	21	13	12	1			3	2	4	1	1	2	4
Mississippi	66	42	29	11	7	5	1	1	3	1	1	1			1	
Montana	22	42	9	11	2			2		9		2	8	11		
Nebraska	33	69	25	29	25	19	6			4		2	4		8	
New Hampshire	9	31	14	7	7	7						10	10	2		3
New Jersey	38	66	17	23	16	7	2	7	3	3		7	33	7	4	
New Mexico	26	95	37	7	4			4	4			2	12	4	1	19
New York	259	78	18	19	12	9	1	2	1	4	2	1	8	5	2	
North Carolina	157	53	26	12	8	5	1	2	2	2		1	8	5		
North Dakota	14	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	
Ohio	184	56	16	23	14	9	4	1	2	5	2	4	5	2	3	4
Oklahoma	101	50	21	15	5	4	1		3	4	3	4	5	2	1	1
Oregon	16	40	25	10	5					5		3	3			
Rhode Island	11	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)			
South Carolina	49	47	25	14	10	6	4		2	3	3			4	1	
South Dakota	19	81	17	17	4	4				13	8	38				
Tennessee	81	50	15	21	13	10	2	1	5	1	1	6	4		2	2
Utah	8	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)			
Vermont	7	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)			
Virginia	67	65	35	12	5	4	1			2	3	2	7	5	3	1
Washington	39	61	27	19	14	9	5			5		2	5	5	3	2
West Virginia	59	68	18	31	18	8	2	8	2	10	5	6		3	5	
Wisconsin	91	61	33	18	8	5	3		3	5	1	5	1	1	2	1
Wyoming	5	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)	(?)		
Three States: ⁶																
Illinois	328	60	31	11	9	5	3	1	1	2	(?)	3	1	3	3	8
Kentucky	95	57	17	30	8	4	1	3	7	10	6	4	1	5	1	
Texas	553	106	13	18	11	6	4	1	3	4	(?)	2	5	2	64	4

¹ Except by receipt of assistance.

² Otherwise eligible for aid to the blind.

³ Includes change in agency policy, moved out of State, originally ineligible under State plan, and refusal to comply with established regulations.

⁴ Includes cases for which reason was not known.

⁵ Excludes States which did not have approved plans before July 1, 1941.

⁶ Includes 26 closed because of changes in agency policy to reduce case load.

⁷ Not computed; less than 200 open cases.

⁸ Less than one-half case per 1,000 open cases.

⁹ No approved plans before July 1, 1941.

between 55 and 60.¹³ Blindness is more prevalent among older persons, and young blind persons are more likely than older ones to receive other types of aid. Also, blindness is frequently the result of other physical impairment. Death of the recipient accounted for the closing of 24 of every 1,000 cases in the United States in the second half of 1945 (table 10).

State differences.—The age composition of the case load undoubtedly is primarily responsible for the difference among States in the death rate of blind recipients. In the second half of 1945 the number of cases closed because of death of the recipient per 1,000 open cases varied from 9 in Montana to 50 in Idaho (table 11). The average death rate for the 9 semiannual periods ranged from 10 in South Dakota to 40 in Maine. Throughout the 4½ years, the death rates for blind recipients were consistently high in California, Maine, and Wisconsin, while they were uniformly low in Alabama, Louisiana, Oklahoma, and South Dakota.

Decreased Need

All States.—In the period under consideration, decreased need was the most important reason for closing cases of aid to the blind. Since the beginning of the program, from one-fifth to two-fifths of the cases closed each year were closed because the recipient's need for assistance had decreased. The number of cases closed in each semiannual period per 1,000 open cases increased steadily from 17 before the war to 40 in the first half of 1943, since which time there has been a continuous decline, to 17 in the second half of 1945 (table 10). Cases closed because of decreased need mounted during the war, when the general improvement in economic conditions not only enabled more families to take care of their handicapped relatives but in many instances made it possible for the blind themselves to become self-supporting. In the second half of 1943 and the same period in 1945, the source of income in cases closed

because need had decreased was as follows:

Source of income	Cases closed per 1,000 open cases, July-December		Per-cent-age-decrease
	1943	1945	
Need for assistance decreased	35.6	17.4	51
Employment or increased earnings	22.2	9.4	58
Recipient	13.9	6.2	55
Spouse	4.4	1.8	59
Other person in home	3.9	1.4	64
Receipt of allowances from men in armed forces	5.9	1.9	68
Other resources of recipient or spouse	4.8	4.3	10
Contributions (excluding those from employment of persons in home)	2.7	1.8	33

State differences.—Various factors, such as the availability of suitable employment, the efforts toward vocational rehabilitation of blind persons, and the proportion of aged persons on the rolls, may account for differences among States in the rate at which a lessening of need has taken recipients off the rolls. During the last 6 months of 1945 the rate of closing for that reason varied from 4 in Arizona to 38 in Arkansas (table 11). The highest rate in any of the last 9 semiannual periods was less than 35 in 8 States¹⁴ but between 60 and 70 in 6 highly industrial States.¹⁵

Receipt of Other Aid

All States.—Receipt of other aid is a much more important reason for closing in aid to the blind than in the other two programs because in some States, for administrative or other reasons, recipients of aid to the blind are transferred to old-age assistance when they reach age 65.

For every 1,000 recipients of aid to the blind in the country as a whole, an average of 6 left the rolls during each of the 9 semiannual periods because of receipt of other aid. The rate varied from 4 in the second half of 1945 to 7 in the first half of 1942 (table 10). Information collected for the 2½ years shows that of the persons whose aid was discontinued because of the

receipt of other aid, more than 70 percent were to receive old-age assistance.

The number of cases reported as closed for this reason does not represent all aid to the blind cases transferred to another type of aid. Groups of cases transferred to another program because of lack of funds or for other administrative reasons are reported under "change in agency policy," which is discussed later.

State differences.—States differ widely in the rate at which recipients leave the rolls because they are to receive another type of aid. During the last 6 months of 1945 the rate varied from none in 9 States to more than 30 in 3 States (table 11). In the 4½ years the average rate of closing for each 6-month period was less than 1 in 6 States,¹⁶ whereas it was between 14 and 30 in 7 States.¹⁷

Admitted to Institution

All States.—As in old-age assistance, and probably for similar reasons, the rate at which aid to the blind cases were closed because the recipient entered an institution increased during the war and is still higher than before the war. Of every 1,000 recipients during the second half of 1941, 5 left the rolls because they were to receive care in an institution, usually a public institution. The rate increased to 7 in the second half of 1943 and dropped to 6 by the corresponding period in 1945 (table 10).

State differences.—A State's rate of closing cases because the recipient is to receive institutional care is affected by various factors, such as facilities for public institutional care of the blind and the proportion of recipients in need of such care. During the second half of 1945 the rate varied from none in 3 States to 14 in the District of Columbia (table 11). The rate for the last 9 semiannual periods averaged between 9 and 11 in 4 States¹⁸ in contrast to less than 3 in 8 States.¹⁹

¹³ Arizona, California, Indiana, Louisiana, Mississippi, Montana, New Mexico, South Carolina.

¹⁴ Alabama, Colorado, Massachusetts, Nebraska, New Mexico, South Dakota, Washington.

¹⁵ California, the District of Columbia, New York, Virginia.

¹⁶ Arkansas, Colorado, Florida, Georgia, Louisiana, Maine, Mississippi, New Mexico.

¹⁷ Based on a study of causes of blindness in 20 States, 1940-41, made by the Bureau of Public Assistance.

¹⁸ Maryland, Massachusetts, Minnesota, New Jersey, New York, Ohio.

Vision Wholly or Partially Restored

All States.—Among every 1,000 recipients in the country as a whole, the number who left the rolls because their vision was wholly or partially restored was 5 in the first 6 semiannual periods, 4 in the next 2, and 3 in the second half of 1945. This decline does not necessarily indicate that programs for the improvement of vision or restoration of sight became less effective. It is probable that the fullest use of such programs has not yet been made, but it is to be expected that, as the program continues to function, fewer persons whose sight can be restored will remain on the rolls. Also, it is possible that, owing to the increased emphasis on cases closed because of employment in the classification of reasons for closing, some cases in which vision was wholly or partially restored may have been reported as closed because of decreased need if the recipient became self-supporting.

State differences.—In the last 6 months of 1945 the rate of closing because the recipient's vision was wholly or partially restored varied from none in 10 States to 21 in Arizona (table 11). The rate of closing for this reason may be low either because improvement of vision is not stressed or because few persons whose vision can be restored remain on the rolls, but the necessary information to evaluate properly the rate in different States is not at hand. The average rate of closing for this reason in the 9 semiannual periods was between 15 and 24 in 3 States¹⁹ in contrast to less than 2 in 9 States.²⁰ The 3 States with high average rates have well-developed programs of medical treatment for the blind.

Change in Agency Policy

Among every 1,000 recipients in the United States in the second half of 1941, assistance was discontinued for 5 because of a change in law or in State or local administrative policy which automatically made certain cases ineligible, although previously they had been eligible. The rate was less than 1 in all succeeding 6-month periods. In the first period, all the

285 closings for this reason occurred in 5 States. In California, 166 cases were transferred to the special State program of aid to the self-supporting blind; in North Dakota, 86 cases were transferred to old-age assistance.

Other Reasons

In each of the 9 semiannual periods, from 5 to 10 per 1,000 recipients left the rolls for reasons other than those discussed above. These other reasons include refusal to comply with established regulations, original ineligibility under State plan, loss of residence or moving from State, and voluntary withdrawal.

Aid to Dependent Children

Aid to dependent children is a much less static program than either old-age assistance or aid to the blind. In families receiving this type of aid the need for assistance is more frequently terminated and, if not, eligibility is more frequently lost because some other requirement is no longer met. To show trends more clearly and to

eliminate from interstate comparisons any extreme rates due entirely to the newness of a program, six States²¹ whose aid to dependent children programs were not under the Social Security Act before July 1, 1941, are excluded from this analysis.

Total Closings

All States.—The number of families in the country as a whole for whom assistance was discontinued per 1,000 families receiving aid was 138 in the second half of 1941. The rate reached its highest point, 227, at the same time as old-age assistance and aid to the blind—in the first half of 1943. Thereafter it dropped continuously to 118 in the last 6 months of 1945 (table 12).

State differences.—The highest closing rate in 28, or almost two-

²¹ Aid to dependent children under the Social Security Act became effective in Illinois and Texas July 1, 1941; in Connecticut October 1, 1941; in Kentucky October 1, 1942; in Iowa July 1, 1943; and in Alaska June 22, 1945.

Table 12.—*Aid to dependent children: Number of cases closed for specified reason per 1,000 open cases in States with approved plans before July 1, 1941,¹ by 6-month period, July 1941–December 1945*

Reason for closing	1941, July-Dec.		1942		1943		1944		1945	
	Jan.-June	July-Dec.	Jan.-June	July-Dec.	Jan.-June	July-Dec.	Jan.-June	July-Dec.	Jan.-June	July-Dec.
Total cases closed	137.9	157.0	207.6	227.4	200.7	167.0	153.3	140.7	118.0	
Need for assistance decreased	81.1	94.0	139.5	160.5	142.1	115.6	105.3	93.3	73.3	
Employment	(2)	(2)	(2)	(2)	87.5	67.4	63.1	52.5	40.2	
Dependent child	(2)	(2)	(2)	(2)	9.5	7.3	9.3	5.6	6.2	
Father	(2)	(2)	(2)	(2)	18.2	14.7	13.3	13.7	11.4	
Mother	(2)	(2)	(2)	(2)	44.1	34.1	30.6	26.2	17.9	
Other person in home	(2)	(2)	(2)	(2)	15.6	11.3	9.9	7.0	4.7	
Receipt of allowances from men in armed forces	0	0	(2)	23.5	27.6	25.5	20.1	18.1	12.5	
Support by remarriage of parent	9.2	10.2	10.4	8.8	10.1	8.5	8.2	8.3	7.7	
Other resources of person in home	(2)	(2)	(2)	(2)	10.9	8.0	7.7	8.8	7.6	
Increased support from persons outside home	(2)	(2)	(2)	(2)	6.0	6.1	6.2	5.6	5.3	
Loss of eligibility for reasons other than decreased need	37.0	40.5	41.1	43.5	40.4	35.4	32.1	32.6	30.8	
Child reached maximum age under State plan	15.9	17.7	16.3	19.6	9.4	10.2	8.6	9.2	6.7	
Child not attending school	(2)	(2)	(2)	(2)	5.5	5.2	4.9	4.7	4.1	
Absent parent returned	5.0	6.3	5.3	6.2	5.3	4.5	4.6	5.4	6.5	
Parent no longer incapacitated	5.2	6.0	6.1	5.3	3.7	3.3	2.9	2.8	2.6	
Parent remarried	2.9	2.5	2.9	2.6	2.5	1.7	1.4	1.6	1.8	
No eligible payee available	1.6	2.1	1.9	2.0	2.1	2.5	1.9	2.2	1.8	
Change in agency policy	.3	.2	.3	.9	1.7	.4	.2	.2	1.4	
Refusal after acceptance to comply with established regulations	(2)	(2)	(2)	(2)	2.2	2.5	2.2	2.1	1.3	
Originally ineligible under State plan	1.2	1.3	1.9	1.7	1.6	1.0	.9	.8	1.0	
Moved out of State	5.0	4.4	6.4	5.2	6.4	4.1	4.5	3.6	3.6	
Child admitted to institution	1.7	1.6	1.7	1.7	1.9	1.9	2.0	1.9	2.0	
Receipt of other public or private aid	5.6	6.7	6.8	4.0	2.1	1.9	1.6	1.3	1.3	
Death of dependent child	.3	.4	.4	.4	.6	.6	.6	.6	.5	
Other reasons	12.2	13.9	18.2	17.3	13.6	11.6	11.7	11.2	10.1	

¹ Excludes the following States which now have approved plans: Alaska, Connecticut, Illinois, Iowa, Kentucky, and Texas.

² Information not available.

³ Included in "Child reached maximum age under State plan."

⁴ Included in "Other reasons."

¹⁹ Arizona, Kansas, Montana.

²⁰ The District of Columbia, Georgia, Maryland, Minnesota, Mississippi, New York, Oregon, Tennessee, West Virginia.

thirds, of the States occurred in the first half of 1943. Six States²² reached their peak in the second half of 1942, and in 10 States²³ the peak came later.

During the second half of 1945 the number of families who left the rolls per 1,000 open cases varied from 61 in Florida to more than 200 in Arkansas and Montana (table 13). The highest rate of closing for any semi-annual period varied from 144 in New Mexico to 347 in Pennsylvania. In 7 States²⁴ the highest rate was less than 160. On the other hand, the rate in 9 States²⁵ was more than 200 in 4 or more periods. The average rate of closing for the nine 6-month periods was 84 in Florida, in contrast to 264 in Pennsylvania.

Decreased Need

By far the most important reason for closing cases is decrease in need. Closings for this reason also fluctuate much more than those for any other major reason. Since the beginning of the program, from four-tenths to seven-tenths of the cases closed annually were closed for this reason. It should be noted that the number of cases reported as closed because of decreased need does not include all cases which were ineligible on the basis of need. The classification of reasons for closing used during the period covered by this analysis gave precedence to the so-called "technical" reasons, so that cases which lost eligibility for noneconomic reasons are so classified even though the family also was no longer in need according to agency standards. Closings for noneconomic reasons are much less important in old-age assistance and aid to the blind than in aid to dependent children. During the 4½-

year period the percentage of closings because eligibility was lost for reasons other than decreased need was 4 in old-age assistance and 8 in aid to the blind (14 if vision wholly or partially restored is included) in contrast to 22 in aid to dependent children.

All States.—For every 1,000 families receiving aid in the country as a

whole in the second half of 1941, 81 left the rolls because the need for assistance had decreased. The rate of closing for this reason increased to 161 in the first half of 1943 and then declined to 73 in the second half of 1945 (table 12). In the second half of 1943 and the same period of 1945, the source of income in cases closed

Table 13.—*Aid to dependent children: Number of cases closed for specified reason per 1,000 open cases in States with approved plans, by State, July–December 1945*

State	Total number of cases closed	Total	Number of cases closed per 1,000 open cases								
			Need for assistance decreased ¹								
			Employment					Receipt of allowances from men in armed forces	Support by remarriage of parent	Other resources of persons in or outside home	
Total	Total	Total	Total	Mother	Father	Dependent child	Other person in home				
Total, 50 States	39,332	122	73	41	19	11	6	5	13	8	12
Total, 44 States ²⁶	32,210	118	73	40	18	11	6	5	13	8	13
Alabama	888	124	81	42	19	17	2	4	12	8	19
Arizona	215	116	75	34	10	10	1	4	8	15	17
Arkansas	1,070	210	119	58	23	21	7	7	31	18	12
California	929	115	77	51	19	8	19	5	8	8	9
Colorado	618	147	104	60	34	13	3	5	15	14	15
Delaware	36	110	61	39	9	9		21	9		12
District of Columbia	160	183	135	97	42	40	10	5	19	6	12
Florida	419	61	32	13	7	1	3	2	10	3	5
Georgia	457	99	62	23	16	2	2	3	26	6	8
Hawaii	83	123	82	38	7	13	9	9	1		42
Idaho	214	146	103	55	27	28	2	3	12	21	17
Indiana	1,008	138	80	40	23	9	1	7	12	18	10
Kansas	453	121	79	44	23	10	5	4	17	7	11
Louisiana	1,104	104	54	25	8	11	2	4	14	4	11
Maine	129	84	43	19	12	3	3	1	9	7	8
Maryland	519	134	78	41	17	9	8	7	13	6	18
Massachusetts	1,096	127	76	41	19	9	8	5	8	11	17
Michigan	1,647	101	60	32	16	8	5	3	9	9	9
Minnesota	643	115	63	34	16	8	7	3	7	10	12
Mississippi	327	97	73	27	17	7	2	1	21	14	11
Missouri	1,359	96	52	25	13	6	1	5	7	12	7
Montana	343	213	145	75	34	22	13	6	19	27	23
Nebraska	434	161	109	60	43	5	2	10	25	12	11
New Hampshire	108	112	73	32	21	3	4	4	10	21	9
New Jersey	516	132	75	43	20	1	8	14	13	5	15
New Mexico	341	112	64	32	13	12	3	4	21	6	7
New York	3,907	135	82	61	25	15	15	0	9		12
North Carolina	877	119	69	31	15	10	3	3	22	6	10
North Dakota	227	138	90	44	28	5	7	4	18	15	12
Ohio	1,059	118	79	41	17	6	7	11	14	12	12
Oklahoma	1,124	62	40	15	9	5	1	(?)	6	8	11
Oregon	141	95	68	26	15	2	7	2	6	21	13
Pennsylvania	4,603	151	104	58	21	23	8	5	14	4	28
Rhode Island	238	137	110	75	26	28	5	16	19	5	11
South Carolina	349	79	44	19	8	6	3	2	14	4	7
South Dakota	155	88	72	29	22	4	2	1	11	26	7
Tennessee	1,106	90	63	30	16	10	1	3	16	9	8
Utah	358	144	96	54	23	26	5	2	10	24	8
Vermont	73	112	41	34	23	5	3	3	3	3	2
Virginia	531	125	68	33	13	12	4	4	18	9	9
Washington	525	108	47	32	5	7	19	1	3		12
West Virginia	935	114	76	42	13	19	1	9	20	7	8
Wisconsin	848	124	69	43	22	8	9	4	13	1	11
Wyoming	54	150	94	75	44	17	11	3	8	3	9
Six States ²⁷											
Alaska	4	(9)	(9)	(9)	(9)	(9)					
Connecticut	223	87	54	32	10	15	2	5	5	8	9
Illinois	2,697	114	66	42	23	6	7	6	10	10	3
Iowa	807	135	92	46	28	7	8	3	23	15	9
Kentucky	546	93	57	21	11	4	2	4	20	6	11
Texas	3,149	242	94	70	38	12	1	19	13		11

See footnotes at end of table, p. 40.

²² California, Hawaii, Michigan, Minnesota, Montana, Utah, Washington.

²³ Arizona, Kansas, Maine, New Hampshire, North Dakota, South Dakota, and Vermont, second half of 1943; Wyoming, second half of 1944; Georgia, first half of 1945; and Arkansas, second half of 1945. The high rate in Arkansas in the last period resulted from a large number of cases closed because of change in agency policy.

²⁴ Georgia, Maine, Mississippi, New Mexico, South Carolina, South Dakota, Tennessee.

²⁵ Alabama, Delaware, the District of Columbia, Idaho, Kansas, Maryland, Montana, Pennsylvania, Utah.

because need had decreased was as follows:

Source of income	Cases closed per 1,000 open cases, July-December		Percentage decrease
	1943	1945	
Need for assistance decreased	142	73	48
Employment	88	40	54
Mother	44	18	59
Father	18	11	39
Dependent child	10	6	35
Other person in home	16	5	70
Receipt of allowances from men in the armed forces	28	13	55
Other resources of persons in home	11	8	30
Remarriage of parent	10	8	24
Support from persons outside home	6	5	12

State differences.—The variation among States in the rate at which families left the rolls because of decreased need is partly the result of differences in the availability of employment and in the attitude of agencies toward the employment of women with children. The largest number of families whose assistance was discontinued because they were no longer in need, per 1,000 on the rolls, varied in any of the 6-month periods, from 83 in Vermont to 277 in Pennsylvania. The average rate for the 9 periods was between 131 and 195 in 9 States²⁰ in contrast to 68 or less in 7 other States.²¹

Child Reached Maximum Age or Not Attending School

All States.—Sixteen families per 1,000 open cases were dropped from the rolls because the child had reached the State's age limit for aid or was not attending school in the second half of 1941. The closing rate for these reasons reached its peak, 20, in the first half of 1943, and by the second half of 1945 it had dropped to 11. The rate always has been lower in the last 6 months of the year (table 12). One theory for this is that some children for whom assistance ordinarily would be terminated for these reasons were working during

the summer months and therefore the reason for closing was classified as employment.

During the 4½ years under consideration the age requirement of 7

States²² was changed to include chil-

²⁰ The District of Columbia and Rhode Island, second half of 1944; New Hampshire, Oklahoma, South Dakota, Tennessee, and Vermont, first half of 1945.

Table 13.—*Aid to dependent children: Number of cases closed for specified reason per 1,000 open cases in States with approved plans, by State, July-December 1945—Continued*

State	Number of cases closed per 1,000 open cases									
	Child admitted to institution ¹	Receipt of other public or private aid ²	Loss of eligibility for reasons other than decreased need							
			Total	Child reached maximum age under State plan	Child not attending school	Absent parent returned	Parent no longer incapacitated	Moved out of State	Other	
Total, 50 States	2	1	34	7	4	6	3	4	0	12
Total, 44 States*	2	1	31	7	4	6	3	4	7	11
Alabama	2	1	32	4	5	12	6	2	2	8
Arizona	1	3	24	17	—	—	—	6	1	14
Arkansas	1	3	83	3	6	—	—	10	63	4
California	4	—	21	7	6	3	3	2	12	2
Colorado	4	3	32	5	8	5	7	2	6	9
Delaware	3	—	37	—	9	15	—	3	9	9
District of Columbia	1	1	29	1	—	13	3	7	4	17
Florida	—	—	20	6	7	1	1	2	8	8
Georgia	2	(?)	33	17	—	5	6	2	3	1
Hawaii	3	4	22	3	—	6	3	9	11	—
Idaho	2	—	32	8	12	5	3	4	2	9
Indiana	3	1	43	22	—	5	6	6	4	13
Kansas	2	2	32	6	8	6	2	3	6	6
Louisiana	1	2	41	10	2	2	2	16	6	6
Maine	1	—	33	6	10	2	2	3	10	6
Maryland	2	6	38	5	(?)	13	5	6	7	10
Massachusetts	1	2	38	4	6	15	5	2	2	9
Michigan	2	(?)	32	7	9	6	4	4	7	12
Minnesota	2	(?)	37	7	11	7	6	2	4	4
Mississippi	(?)	1	18	6	5	3	1	2	2	4
Missouri	1	1	33	12	4	6	2	6	3	9
Montana	2	1	30	4	8	—	5	7	6	36
Nebraska	2	—	40	21	—	3	9	5	1	11
New Hampshire	3	—	28	8	1	10	3	3	2	8
New Jersey	1	1	50	4	15	16	8	1	6	4
New Mexico	2	—	39	5	7	4	4	14	3	8
New York	3	3	29	4	1	8	1	3	10	18
North Carolina	2	(?)	40	2	8	16	3	3	6	8
North Dakota	3	1	34	7	1	9	4	7	5	11
Ohio	3	2	28	5	7	6	2	3	5	6
Oklahoma	2	1	15	6	(?)	3	1	5	(?)	5
Oregon	1	4	20	6	6	5	2	1	2	2
Pennsylvania	3	—	26	5	4	10	1	3	3	18
Rhode Island	3	3	6	1	1	—	—	3	1	14
South Carolina	2	(?)	27	8	—	5	4	4	4	5
South Dakota	6	—	6	1	—	—	—	3	1	5
Tennessee	1	(?)	17	7	4	1	4	1	9	1
Utah	(?)	6	35	11	4	7	1	8	3	5
Vermont	—	—	45	3	8	15	5	3	11	27
Virginia	2	3	33	4	4	9	5	5	5	19
Washington	(?)	2	47	5	5	6	2	4	25	12
West Virginia	(?)	1	23	5	8	(?)	—	3	5	14
Wisconsin	2	(?)	45	2	10	7	4	3	20	9
Wyoming	—	—	39	6	3	—	—	8	22	17
Six States: *	—	—	(?)	—	—	—	—	(?)	—	(?)
Alaska	(?)	—	—	—	—	—	—	3	5	14
Connecticut	(?)	—	20	5	7	—	—	4	2	19
Illinois	1	—	27	6	8	3	2	4	2	6
Iowa	2	(?)	34	6	6	10	4	6	2	6
Kentucky	1	2	29	2	6	4	3	9	4	5
Texas	2	1	121	18	—	6	3	5	90	23

¹ Except by receipt of assistance.

² Otherwise eligible for aid to dependent children.

³ Includes parent remarried, change in agency policy, no eligible payee available, refusal after acceptance to comply with established regulations, and originally ineligible under State plan.

⁴ Includes death of dependent child, cases closed for other reasons, and cases for which reason was not known.

⁵ Excludes States which did not have approved plans before July 1, 1941.

⁶ Includes 58 closed because of changes in agency policy to reduce case load.

⁷ Less than one-half case per 1,000 open cases.

⁸ No approved plans before July 1, 1941.

⁹ Not computed; less than 200 open cases.

^{*} California, the District of Columbia, Hawaii, Idaho, Maryland, Montana, Pennsylvania, Rhode Island, Utah.

^{**} Florida, Georgia, New Hampshire, New Mexico, South Dakota, Tennessee, Vermont.

dren 16 and 17 years if attending school. Only 3 States made the age requirement more restrictive by changing the age limits of 17 and 18 years to 16 if not attending school. Consequently the downward trend in the rate of closing for this reason is not due entirely to fewer employment opportunities for young people but resulted partly from some changes in the eligibility requirement regarding age.

State differences.—In the second half of 1945 the number of cases closed because the child had reached maximum age or was not attending school, per 1,000 open cases, varied from less than 5 in 4 States to 20 or more in 3 States (table 13). Among the States which made no change in the age limit during the 4½ years, the average rate varied from 7 in New Mexico to 30 in New Jersey. Both of these States have an age limit of 16, or 18 if in school. The average rate for the 9 semiannual periods was less than 10 in 6 States,²⁹ in contrast to 20 or more in 5 States.³⁰ With one exception the last group of States had a lower age limit than that specified in the Social Security Act—16, or 18 if attending school. One of these States recently raised its age limit.

Absent Parent Returned

All States.—The number of cases closed because an absent parent returned, per 1,000 open cases in the country as a whole, was 6 in the second half of 1945 and varied between 5 and 6 in the other 8 6-month periods, with no definite trend (table 12).

State differences.—The fact that such cases may have been reported by some States under "decreased need" probably accounts for the wide variation among the States in this rate. Also some States have a much stricter definition of what constitutes absence and therefore have fewer cases on the rolls which might be closed for this reason.

Parent No Longer Incapacitated

All States.—In the country as a whole the number of families who left the rolls because the parent was no longer incapacitated, per 1,000

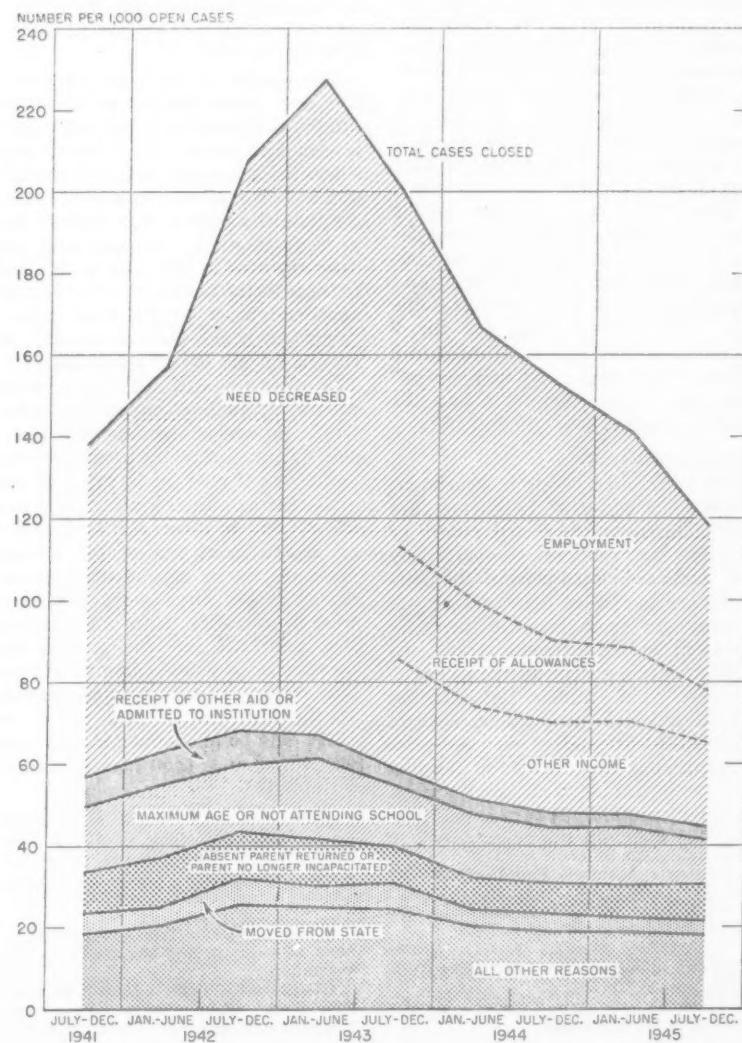
open cases, was 5 in the second half of 1941 and 6 in the next 2 periods. Since then it has declined continuously, to less than 3 in the last half of 1945. The decline since 1942 is probably the result of the more favorable employment opportunities early in the war that made it possible for many partially incapacitated parents to support their families and left on the rolls only those less likely to become employable.

State differences.—As in cases closed because an absent parent re-

turned, State rates of closing because the parent is no longer incapacitated are affected by the policy and practice in determining eligibility in cases of incapacity. Here, too, some cases actually closed for this reason may have been reported under "decreased need." On the other hand, some cases reported as closed because incapacity was removed would still have been eligible for aid if suitable employment had not been available.

In the second half of 1945 the rate at which families left the rolls, per

Chart 6.—*Aid to dependent children: Cases closed for specified reason per 1,000 open cases in States with approved plans before July 1, 1941, by 6-month period, July 1941–December 1945*



²⁹ Alabama, Delaware, Maryland, Mississippi, New Mexico, Virginia.

³⁰ Georgia, Indiana, Missouri, Nebraska, New Jersey.

1,000 open cases, varied from none in 8 States to 9 in Nebraska (table 13). The average rate during the nine 6-month periods was less than 1 in 4 States³¹ in contrast to 7 or more in 6 States.³² Montana, with 12, and Minnesota, with 10, had the highest.

Moved From State

All States.—Loss of residence or removal from the State has always been more important as a reason for closing cases in aid to dependent children than in either old-age assistance or aid to the blind. Families receiving aid are more likely to change residence in an effort to find employment or otherwise improve their circumstances than are recipients under the other 2 programs. The number of families for whom aid was discontinued because of removal from the State, per 1,000 open cases, was 4 in the second half of 1945. For the other 8 semiannual periods the rate was 4 or 5, except in the second half of 1942 and of 1943, when it was 6 (table 12).

State differences.—In the last 6 months of 1945 the rate of closing because the family had moved from the State varied from 1 in New Jersey and Oregon to 14 in New Mexico (table 13). The average rate for the 9 6-month periods was less than 3 in 9 States,³³ but 10 or more in 6 States.³⁴ New Mexico and Wyoming had the highest average rates, 15 and 16.

Institutional Care

All States.—Since aid to dependent children is designed to provide care for children in their own homes or the homes of relatives, comparatively few cases are closed because the children are to receive care in an institution and those few are generally cases in which, for some reason, institutional care is considered more desirable. The number of families whose aid was discontinued because the dependent children were to receive institutional care, per 1,000 families receiving such aid, was 2 in all 9 semiannual periods. This number does not represent all the cases closed in

³¹ Arizona, Arkansas, Florida, South Dakota.

³² Alabama, Minnesota, Montana, Nebraska, New Jersey, North Dakota.

³³ California, Florida, Georgia, Massachusetts, Michigan, New Jersey, New York, Ohio, Rhode Island.

³⁴ Arizona, Arkansas, Colorado, Kansas, New Mexico, Wyoming.

which the children subsequently received institutional care, but only those which were closed for no other reason and would otherwise have been eligible for aid to dependent children. Presumably some of the children for whom aid was discontinued because no person was eligible to receive the payment were placed in institutions.

State differences.—In the second half of 1945 the rate of closing cases because the dependent children were to receive institutional care varied from none in 4 States to 6 in South Dakota (table 13). The average rate for the 9 semiannual periods ranged from less than 1 in 8 States³⁵ to around 3 in 9 States.³⁶ Rhode Island's rate, 3.5, was the highest.

Receipt of Other Aid

The number of cases reported here does not reflect the extent to which families dropped from the rolls were accepted for other aid. The report shows the reason for loss of eligibility and is not supposed to indicate how families whose aid is discontinued are to be maintained. Consequently the cases reported in this item are limited to those which are closed only because another type of aid has been substituted and which otherwise would be eligible for aid to dependent children. The other types of aid include work programs, general assistance, other public aid, and aid from private agencies. They also include foster-family home care if paid for by relief funds.

All States.—In the past few years the receipt of other aid has become an insignificant reason for closing cases of aid to dependent children. Before 1943, when work programs were in operation, from 6 to 7 families, per 1,000 receiving aid in the country as a whole, were closed for this reason in each 6-month period. In the first half of 1943, when the WPA was being liquidated, the rate was 4 and since then has declined to 1 (table 12).

State differences.—In the second half of 1945 the rate at which families left the rolls because they were to receive some other type of aid

varied from none in 10 States to 6 in Maryland and Utah (table 13). The average rate of closing for the last 5 semiannual periods, when work programs were not in operation, varied from none in 5 States³⁷ to 7 in Arkansas. Maryland and Utah had the next highest average rate, 5.

Other Reasons

Families which left the rolls for reasons other than those previously discussed had their cases closed for the following reasons: parent remarried, if the child is automatically disqualified as in the marriage of divorced or unmarried parents; no eligible payee available; change in agency policy; refusal to comply with established regulations; original ineligibility under State plan; death of dependent child; and other miscellaneous reasons. Individually these reasons were relatively unimportant; combined, however, they constituted 13 percent of the total closings.

Conclusions

The record of the 4½ years demonstrates that the availability of employment will obviate the need for assistance for only a limited number of persons receiving one of the three special types of assistance. The reduction in case loads during the war was the result of extreme shortages of available labor and the need for the fullest production of war materials in the shortest possible time. Persons who are normally unemployed were able to find suitable work, and some whose employment might be considered socially undesirable left the rolls. It is questionable in many instances whether the best interests of society were served by the employment of young persons or of mothers with young children.

Appreciable increases in the number of assistance cases are to be expected with the decline in employment opportunities for marginal workers and in other sources of income not available in normal times. From 1941 to 1946 the focus of attention has been on cases closed. In the postwar period, intake is likely to become more important, and the analysis of reasons for opening will then be particularly significant.

³⁵ California, Delaware, New Hampshire, Pennsylvania, South Dakota.

Social and Economic Data

Social Security and Other Income Payments

All Income Payments to Individuals

Income payments in July—\$14.1 billion—totaled 4.2 percent more than in June and 3.2 percent more than the total a year earlier (table 1). Compensation of employees continued upward for the fifth successive month but was 5.3 percent below the amount in July 1945. Social insurance and related payments, which dropped in the preceding month, again moved upward and represented 4.1 percent of all income payments in July, in contrast to 1.6 percent in July 1945. Military and subsistence allowances declined uninterruptedly from August 1945 to March 1946, increased in April and May, and turned downward again in the next 2 months. Entrepreneurial income, net rents and royal-

ties, dividends and interest, and payments for direct relief were higher in July than in June and were also above the levels a year earlier.

State Distribution of Income Payments, 1945

Income payments to individuals in 1945 totaled \$160.6 billion, \$4 billion above the previous record level a year earlier. The total for the continental United States—\$152.7 billion—was 2 percent above the amount in 1944 and more than twice that in 1940 (table 2). Though income payments fell off somewhat during the last 6 months of 1945, the slump was more than offset by the peaks in the first half of the year. Sharp declines in wage and salary payments toward the year's end served to depress the year's total in most States, particularly in the highly industrialized areas, which were hit hardest by the mass lay-offs in 1945. Drastic lay-offs in ship-

building and ship repair, aircraft, and munitions industries had a marked effect on income payments in States which had experienced a war boom in these and related industries; Louisiana, Rhode Island, Texas, and the 3 Pacific Coast States, where post V-day cut-backs were especially severe, were particularly affected. Total income payments in these 6 States and in 9 others were below the total in the previous year. In all States, however, the 1945 total was well above the amount in 1940, and in 31 of the 49 jurisdictions it was more than twice the 1940 amount.

Per capita income in 1945 in the Nation as a whole—\$1,150—was \$17 higher than in the preceding year. In 16 States,¹ per capita income was lower, whereas in the previous year only 3 States—Iowa, Nevada, and Utah—showed declines from 1943 levels. Every State had higher per capita income in 1945 than in 1940, with increases ranging from 26 percent in the District of Columbia to 205 percent in North Dakota; 32 States increased at least as much as the national average, which doubled. Per capita income in 19 States exceeded that for the country as a whole; New York, which shared first place with Washington in the preceding year, again led the States in 1945. The District of Columbia, which placed first in 1940, stood seventh in 1945. Nevada fell from fourth place in 1940 to thirteenth in 1945, and New Hampshire, from nineteenth place to thirty-fourth. North Dakota, on the other hand, pulled up from thirty-eighth to twentieth place, and Washington from fourteenth place in 1940 to fourth in 1945.

Social insurance and related payments totaled \$2.9 billion, 55 percent more than in 1944, and accounted for 1.9 percent of all income payments in 1945. All States shared in the rise, with increases ranging from 16 percent in Idaho to 96 percent in Alabama and 150 percent in Michigan. Among the programs included in the total there were marked shifts in relative importance in 1944 and 1945. Unemployment insurance payments, which fell to very low levels during

Table 1.—*Income payments to individuals, by specified period, 1936–46¹*
[In millions; data corrected to Sept. 5, 1946]

Year and month	Total ²	Compensation of employees ³	Entrepreneurial income, net rents, and royalties	Dividends and interest	Public aid		Social insurance and related payments ⁴	Military and subsistence allowances ⁵
					Work relief ⁶	Direct relief ⁶		
1936	\$68,024	\$40,027	\$13,003	\$9,785	\$2,155	\$672	\$955	—
1937	72,365	44,689	14,162	9,891	1,639	836	1,020	—
1938	66,135	40,845	12,369	8,233	2,094	1,008	1,599	—
1939	70,793	43,870	13,441	8,891	1,870	1,071	1,516	—
1940	72,210	48,218	14,313	9,175	1,578	1,697	1,801	—
1941	92,710	60,262	18,599	9,311	1,213	1,112	1,744	—
1942	117,311	79,970	22,933	9,771	586	1,061	1,544	—
1943	143,089	101,813	27,161	10,389	57	940	1,703	1,020
1944	156,721	112,043	28,017	11,195	—	942	1,970	2,548
1945	160,607	111,300	29,894	12,304	—	900	2,925	2,949
1945					—	—	—	—
July	13,622	9,500	2,479	1,022	81	218	266	—
August	13,207	9,143	2,441	1,042	82	225	260	—
September	12,817	8,797	2,359	1,051	83	201	259	—
October	12,952	8,792	2,428	1,060	85	328	254	—
November	13,192	8,895	2,551	1,068	87	355	232	—
December	13,102	8,828	2,537	1,073	88	371	192	—
1946					—	—	—	—
January	13,000	8,648	2,626	1,079	90	458	165	—
February	12,969	8,481	2,690	1,084	92	486	134	—
March	13,141	8,670	2,631	1,091	94	540	113	—
April	13,234	8,739	2,609	1,088	93	565	130	—
May	13,421	8,747	2,745	1,107	94	575	152	—
June	13,486	8,839	2,717	1,127	95	566	141	—
July	14,058	9,008	3,098	1,143	96	577	135	—

¹ Compensation of employees; entrepreneurial income, net rents, and royalties; and dividends and interest adjusted for seasonal variation.

² Includes veterans' bonus; July payments were \$1 million.

³ Wage and salary payments minus deductions for employee contributions to social insurance and related programs. Includes industrial pensions, payments to the armed forces, and mustering-out pay.

⁴ Earnings of persons employed by NYA, WPA, and CCC.

⁵ Payments to recipients under 3 special public assistance programs and general assistance, value of food stamps under food stamp plan, and farm subsistence payments.

⁶ Payments of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, workmen's compensation, State unemployment insurance, railroad unemployment insurance, veterans' pensions and compensation, and readjustment payment allowances to unemployed and self-employed veterans.

⁷ Government portion of payments to dependents of members of the armed forces (portion deducted from military pay included under compensation of employees as part of military pay rolls) and subsistence allowances to veterans under the Servicemen's Readjustment Act of 1944.

Source: Department of Commerce, Office of Business Economics.

¹ California, Connecticut, Delaware, Indiana, Louisiana, Maine, Maryland, Michigan, Montana, Nevada, New Jersey, Ohio, Oregon, Rhode Island, Texas, and Washington.

the war years, represented only 3.5 percent of all social insurance and related payments in 1944, while in

Table 2.—Social insurance and related payments, public aid payments, and military allowances in the continental United States, in relation to total income payments, by State, 1945

State	Income payments		Payments as percent of total income payments		
	Total (in millions)	Per capita	Social insurance and related payments ¹	Public aid payments ²	Military allowances ³
Total, 1944	\$149,660	\$1,133	1.2	0.6	2.7
Total, 1945	152,704	1,150	1.9	.6	3.8
Ala.	1,960	700	2.0	.4	6.9
Ariz.	581	918	2.4	1.0	4.6
Ark.	1,171	654	2.1	.7	7.9
Calif.	13,244	1,480	1.9	.8	2.5
Colo.	1,238	1,100	1.6	1.9	4.0
Conn.	2,608	1,449	2.0	.3	2.8
Del.	398	1,381	1.3	.3	2.8
D. C.	1,617	1,361	2.4	.1	2.3
Fla.	2,387	996	1.6	.8	4.1
Ga.	2,369	745	1.6	.5	6.2
Idaho.	512	1,054	1.2	.8	4.1
Ill.	10,589	1,360	1.9	.7	3.1
Ind.	3,985	1,152	1.8	.6	3.5
Iowa.	2,516	1,109	1.3	.8	3.7
Kans.	1,938	1,113	1.5	.7	3.8
Ky.	1,916	735	2.3	.4	6.4
La.	1,931	785	1.7	.9	6.1
Me.	830	1,051	2.0	.8	4.0
Md.	2,467	1,212	1.9	.3	3.3
Mass.	5,592	1,321	2.1	.9	3.3
Mich.	6,672	1,212	2.5	.7	3.1
Minn.	2,666	1,081	1.9	.9	3.6
Miss.	1,159	556	1.9	.5	8.9
Mo.	3,806	1,063	1.8	1.0	4.2
Mont.	539	1,172	1.7	.9	3.7
Nebr.	1,347	1,117	1.2	.7	3.4
Nev.	196	1,243	1.5	.5	3.1
N. H.	446	971	2.0	.7	4.7
N. J.	5,655	1,373	2.5	.2	3.3
N. Mex.	431	812	1.6	.9	5.8
N. Y.	20,308	1,595	2.2	.4	2.9
N. C.	2,575	732	1.4	.3	5.9
N. Dak.	588	1,123	.9	.9	3.6
Ohio.	8,925	1,289	1.7	.6	3.4
Oklahoma.	1,820	889	1.7	2.1	5.9
Oreg.	1,549	1,266	1.7	.8	3.2
Pa.	11,134	1,199	1.9	.5	3.8
R. I.	948	1,268	3.1	.5	3.4
S. C.	1,265	663	1.6	.4	7.0
S. Dak.	599	1,083	1.0	.8	3.3
Tenn.	2,353	813	2.0	.5	6.0
Tex.	6,263	917	1.5	.8	5.3
Utah.	641	1,023	1.2	1.2	3.9
Vt.	320	1,023	1.9	.6	3.8
Va.	2,597	903	1.5	.2	4.6
Wash.	2,971	1,407	1.6	1.4	2.4
W. Va.	1,457	839	2.3	.5	6.0
Wis.	3,451	1,161	1.6	.6	2.8
Wyo.	274	1,096	1.1	.7	3.6

¹ Payments under programs of old-age and survivors insurance, railroad retirement, Federal, State, and local retirement, veterans' pensions and compensation, workmen's compensation, State unemployment insurance, railroad unemployment insurance, and servicemen's readjustment allowances.

² Payments to recipients under 3 special public assistance programs and general assistance.

³ Government portion of payments to dependents of members of the armed forces plus portion deducted from military pay (exclusive of voluntary allotments of pay), mustering-out pay, and payments under the emergency maternity and infant care program.

Source: Based on data from Department of Commerce, Office of Business Economics.

1945 combined disbursements for this purpose under the State, railroad, and veterans' programs accounted for nearly one-fifth of the total. Similar increases occurred in all States. In Michigan the proportion of the total attributable to unemployment insurance increased from less than one-tenth in 1944 to more than one-half a year later, and in 9 other States⁴ disbursements for unemployment insurance in 1945 accounted for at least one-fifth of all social insurance and related payments. Veterans' pensions and compensation constituted the bulk of the total included in the series, representing nearly one-third of all social insurance and related payments in both years. In 1944, 10 States and in 1945, 13 States disbursed more than half their payments under social insurance and related programs to disabled veterans and survivors of veterans; a similar ratio obtained in 9 States⁵ in both years.

Retirement and survivor benefits under the old-age and survivors insurance program accounted for nearly 12 percent of all social insurance and related payments in 1944 and about 10 percent a year later. In 1945, old-age and survivor benefits exceeded 15 percent of total social insurance and related payments in only 2 States—Delaware and New Hampshire; a year earlier, such payments represented roughly one-sixth of the State total in Connecticut, New Hampshire, Pennsylvania, and Vermont, and more than one-fifth in Delaware. Benefits to railroad workers and their survivors amounted to 5 and 7 percent of all payments in the series in 1945 and 1944, respectively, and to more than one-tenth of the State total in both years in Delaware, Iowa, Kansas, Nebraska, and Wyoming. Disbursements under Federal, State, and local retirement systems in 1945 ranged from 3 percent of total social insurance and related payments in Idaho and Nevada to 34 percent in New York and 60 percent in the District of Columbia; for the continental United States, these payments represented nearly one-fifth of the total as com-

pared with one-fourth a year earlier. Benefits under workmen's compensation, which amounted to one-fifth of all disbursements under the programs in 1944, fell to 14 percent of the total a year later. In 1945, 7 States—Arizona, Idaho, Louisiana, Montana, Nevada, Oregon, and West Virginia—disbursed at least one-fifth of their social insurance payments to workers covered by workmen's compensation laws; a year earlier, 21 States were in this category.

Compensation for illness to workers in Rhode Island accounted for one-fourth of that State's payments under social insurance and related programs in 1944, the largest proportion in that year for any program in Rhode Island; a year later, only one-sixth of the payments were for this purpose, with most of the other programs forming a larger proportion of the total.

Disbursements for public aid began to turn upward during 1945, but again represented 0.6 percent of all income payments, as in 1944. Only in six States did relief payments amount to as much as 1 percent of total income in 1945.

Military allowances, which do not include voluntary allotments of pay, represented about 4 percent of all income of individuals in 1945, as compared with less than 3 percent a year earlier. Payments to dependents of members of the armed forces began to decline in September, and by the end of 1945 were substantially below the high point reached just before the Japanese surrender. Mustering-out payments, on the other hand, rose precipitately after V-day, and continued upward throughout the remainder of the year. These payments will fall off sharply in 1946 as demobilization nears completion. Military allowances accounted for more than 5 percent of total income of individuals in each of 13 States in 1945, 12 of which ranked lowest with respect to per capita income. Since per capita income in all these States was well below the national average, a sharp reduction in military allowances will have a greater adverse effect on them than on the richer States of the Nation. In Mississippi, for example, where per capita income in 1945 was less than half the national average and little more than one-

⁴ Alabama, California, Connecticut, Delaware, Illinois, Indiana, Maryland, New Jersey, and Rhode Island.

⁵ Arkansas, Georgia, Kentucky, Mississippi, New Mexico, North Carolina, North Dakota, South Dakota, and Wyoming.

third the amount in the richest State, nearly 9 percent of the total income

of individuals was in the form of military allowances. Since the scale

of the allowances is uniform throughout the Nation, such payments, of

Table 3.—*Selected social insurance and related programs, by specified period, 1940-46*

[In thousands; data corrected to Sept. 10, 1946]

Year and month	Total	Retirement, disability, and survivor programs										Unemployment insurance programs			Readjustment allowances to self-employed veterans ¹³							
		Monthly retirement and disability benefits ¹				Survivor benefits						Rhode Island sickness compensation ¹⁰	State unemployment insurance laws ¹⁰	Servicemen's Readjustment Act ¹¹	Railroad Unemployment Insurance Act ¹²							
		Social Security Act ²	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁵	Monthly			Lump-sum ⁶													
						Social Security Act ⁶	Railroad Retirement Act ³	Veterans Administration ⁷	Social Security Act	Railroad Retirement Act ³	Civil Service Commission ⁴	Veterans Administration ⁸										
Number of beneficiaries																						
1945																						
July	588.4	167.8	88.8	1,194.3	539.7	4.4	570.7	14.7	1.7	2.0	4.7	6.4	185.5	38.5	0.6	11.9						
August	602.5	168.5	89.4	1,245.8	548.3	4.4	600.8	14.7	1.7	1.8	4.7	5.8	230.5	44.1	1.2	12.4						
September	619.9	169.5	89.9	1,309.3	560.1	4.4	628.8	12.1	1.8	1.4	4.7	5.0	612.1	73.2	2.1	12.3						
October	644.2	170.5	90.9	1,359.8	573.8	4.4	656.1	17.1	1.5	1.7	5.0	4.9	1,271.7	122.9	5.8	12.6						
November	669.1	171.8	91.7	1,464.8	586.7	4.4	680.2	12.8	1.4	1.3	4.1	4.5	1,313.4	217.7	9.3	13.5						
December	690.9	172.9	92.5	1,533.6	597.3	4.4	697.5	13.2	1.3	.7	3.8	4.4	1,319.0	405.0	12.7	21.1						
1946																						
January	716.7	174.2	93.7	1,620.7	607.8	4.4	725.0	17.8	1.8	2.6	4.5	4.4	1,624.3	695.5	21.9	44.0						
February	743.9	175.7	94.5	1,714.5	618.6	4.5	736.9	15.0	1.5	1.7	4.0	4.5	1,621.0	1,071.1	40.3	63.2						
March	773.3	177.4	95.7	1,866.5	630.4	4.5	751.0	15.9	1.8	1.5	5.3	4.7	1,591.8	1,507.2	51.0	141.9						
April	799.1	178.6	96.8	1,984.7	641.9	4.5	766.0	17.0	2.0	1.5	4.6	5.3	1,402.4	1,626.1	51.7	233.0						
May	821.4	179.8	98.0	2,069.0	652.7	4.5	783.3	17.3	1.7	2.1	4.5	7.6	1,314.9	1,742.7	66.7	279.2						
June	840.7	180.6	99.1	2,130.4	661.4	4.5	789.8	16.2	1.7	2.7	4.5	7.4	1,406.8	1,781.5	74.9	261.8						
July	860.5	181.6	100.5	2,179.7	667.4	4.5	790.0	15.1	1.7	2.6	4.5	6.6	1,103.0	1,724.3	42.6	326.8						
Amount of benefits ¹⁵																						
1940	\$1,188,702	\$21,074	\$14,166	\$62,019	\$317,851	\$7,784	\$1,448	\$105,696	\$11,736	\$2,497	\$5,810	\$3,960	-----	\$518,700	-----	\$15,961						
1941	1,085,488	55,141	119,912	64,933	320,561	25,454	1,559	111,799	13,228	3,421	6,170	4,352	-----	344,321	-----	14,537						
1942	1,130,721	80,205	122,806	68,115	325,265	41,702	1,603	111,193	15,038	4,114	6,108	4,120	-----	344,084	-----	6,268						
1943	921,403	97,257	125,795	72,961	331,350	57,763	1,704	116,133	17,830	5,560	7,344	4,350	\$2,857	79,643	-----	917						
1944	1,119,684	119,009	129,707	78,081	456,279	76,942	1,765	144,302	22,146	6,591	7,863	4,784	5,035	62,385	\$4,113	-----	\$102					
1945	2,007,434	12,391	137,140	85,742	697,830	104,231	1,772	254,238	26,135	8,138	10,244	5,049	4,669	445,866	114,955	2,309	11,675					
1945																						
July	144,070	12,439	11,445	7,220	57,228	8,171	148	23,492	2,033	649	928	460	469	14,352	8,778	35	1,210					
August	151,598	12,762	11,484	7,263	59,483	8,309	149	23,450	2,021	693	842	461	425	17,948	5,013	72	1,223					
September	190,468	13,154	11,559	7,246	63,558	8,494	150	23,164	1,697	736	672	453	367	50,439	7,457	118	1,205					
October	263,582	13,709	11,630	7,337	69,602	8,705	148	25,511	1,492	688	835	532	355	106,449	14,088	337	1,254					
November	277,992	14,260	11,757	7,377	71,174	8,905	147	24,292	1,809	588	700	437	329	108,555	25,770	553	1,338					
December	302,050	14,736	11,864	7,440	76,722	9,065	149	26,845	1,557	678	366	356	317	106,624	42,244	777	2,111					
1946																						
January	378,908	15,339	11,997	7,542	80,183	9,234	150	26,511	2,539	812	1,396	477	325	133,246	83,322	1,351	4,484					
February	400,771	15,969	12,085	7,560	83,229	9,405	149	26,246	2,154	751	908	416	303	120,727	112,195	2,207	5,467					
March	463,136	16,635	12,238	7,670	92,277	9,597	150	25,924	2,268	885	893	465	343	127,013	148,958	3,210	14,627					
April	475,562	17,200	12,332	7,861	96,965	9,777	150	26,919	2,442	883	942	14,470	385	110,672	160,071	3,175	25,315					
May	475,078	17,690	12,388	7,970 ¹⁴	101,763	9,943	149 ¹⁴	27,293	2,461	797	1,250	14,460	551	103,889	155,175	4,238	29,060					
June	457,955	18,122	12,419	7,987 ¹⁴	101,616	10,089	152 ¹⁴	26,694	2,335	792	1,473	14,460	533	92,982	150,223	4,414	27,663					
July	462,813	18,577	12,561	8,020 ¹⁴	103,000	10,195	153 ¹⁴	26,400	2,187	818	1,477	14,460	477	88,371	152,673	2,479	34,965					

¹ Old-age retirement benefits under all acts, disability retirement benefits under the Railroad Retirement and Civil Service Retirement Acts, and disability payments to veterans.

² Primary and wife's benefits and benefits to children of primary beneficiaries. Partly estimated.

³ Age and disability annuitants and pensioners as of last day of month. Payments represent amounts certified, minus cancellations. Widows after both survivors and death-benefit annuities are counted twice, but 2 or more individuals sharing 1 death-benefit annuity are counted as 1. Monthly payments to survivors include annuities to widows under joint and survivor elections and 12-month death-benefit annuities to widows and next of kin.

⁴ Retirement and disability benefits include survivor benefits under joint and survivor elections; not adjusted for suspension of annuities of persons reemployed under the National Defense Act of June 28, 1940, and Jan. 24, 1942. Payments principally from civil-service retirement and disability fund but also include payments from Canal Zone and Alaska Railroad retirement and disability funds administered by Civil Service Commission. Monthly retirement payments include accrued annuities to date of death paid to survivors. Refunds to employees leaving the service are not included but are summarized by semiannual periods in table 4.

⁵ Veterans' pensions and compensation.

⁶ Widow's, widow's parent's, and child's benefits. Partly estimated.

⁷ Payments to widows, parents, and children of deceased veterans.

⁸ Number of decedents on whose account lump-sum payments were made, and amount of such payments.

⁹ Payments for burial of deceased veterans.

¹⁰ Number represents average weekly number of beneficiaries. Annual amounts adjusted for voided benefit checks; monthly amounts not adjusted. State unemployment insurance data for July 1946 partly estimated.

¹¹ Readjustment allowances to unemployed veterans only. Number before May 1946 represents average weekly number of veterans paid unemployment allowances during weeks ended in the month; number beginning May 1946 represents average weekly number of continued claims during weeks ended in the month.

¹² Number represents average number of persons receiving benefits for unemployment in a 14-day registration period. Annual amounts adjusted for underpayments and recoveries of overpayments; monthly figures not adjusted.

¹³ Number of veterans and amount paid during month under the Servicemen's Readjustment Act.

¹⁴ Preliminary estimate by Veterans Administration.

¹⁵ Payments to individuals: annual and lump-sum payments (amounts certified, including retroactive payments) and monthly payments in current-payment status, under the Social Security Act; amounts certified under the Railroad Retirement Act (including retroactive payments) and the Railroad Unemployment Insurance Act; disbursements minus cancellations, under Civil Service Commission and Veterans Administration programs; checks issued by State agencies, under State unemployment insurance and Rhode Island sickness compensation programs and under the Servicemen's Readjustment Act.

Source: Based on reports of administrative agencies.

course, mean more in the States where individual income from other sources is relatively low.

Social Insurance and Related Payments

Disbursements in July under the selected programs—\$463 million—were 1.1 percent above the June total and more than three times the amount a year earlier (table 3). The aggregate represented 80 percent of all social insurance and related programs in July as estimated by the Department of Commerce; a year earlier, total benefits under selected programs represented 66 percent of the Commerce estimate.

Unemployment insurance benefits moved downward for the fourth successive month and in July were 1.7 percent below the June amount. Disbursements under unemployment insurance programs represented more than half the total for the selected programs in July; a year earlier, only about 13 percent was for unemployment insurance. Servicemen's readjustment allowances was the only unemployment program in which the total expenditure was greater in July than in June; benefits under State programs declined 5 percent and the railroad unemployment program, 44 percent. During an average week in July some 2.8 million individuals received benefits under the State and veterans' programs, and an additional 42,600 beneficiaries received payment during an average 14-day registration period under the railroad program. Some 326,800 self-employed veterans received allowances totaling \$35 million in July, an increase of about one-fourth in number and amount over June levels.

Amendments to the Rhode Island law relating to compensation for sickness became effective July 1.⁴ Benefits to certain types of workers will be further limited, but the decline in benefit payments attributable to the new provisions will probably not occur for several months. Disbursements began their usual rise after the start of the new benefit year in April, reached a peak of \$129,200 for the week ended June 1, and declined in each subsequent week.

Monthly retirement and disability

⁴ See the *Bulletin*, April 1946, p. 28.

payments under the four programs continued upward, as did monthly survivor benefits under the Social Security and Railroad Retirement Acts.

Civil-Service Refunds

Refunds to Federal employees were at record levels during the first 6 months of 1946 as a result of faster processing of claims and high turnover in Government employment.

During January-June 1946, refunds of contributions amounted to \$126 million, nearly triple the amount during the preceding 6-month period, and more than 3½ times the amount for the first 6 months in 1945 (table 4). Refunds were paid to about 869,000 former Federal employees in January-June 1946, a number exceeding the total for the calendar year 1945.

Table 4.—Number and amount of civil-service refunds, by specified period, 1943-46¹

[In thousands]

Period	Refunds	
	Number	Amount
1943	204.3	\$10,809
January-June	72.4	4,238
July-December	131.9	6,571
1944	704.2	42,156
January-June	260.3	15,355
July-December	443.8	26,801
1945	858.1	80,992
January-June	458.3	35,882
July-December	399.8	45,110
1946 ²		
January-June	869.3	126,497
January	92.4	15,311
February	105.5	14,730
March	99.6	14,485
April	196.6	22,173
May	166.0	27,699
June	209.2	32,129

¹ Refunds principally from civil-service retirement and disability fund but include also payments from Canal Zone and Alaska Railroad retirement and disability funds administered by Civil Service Commission.

Source: Civil Service Commission.

Changes in Provisions for Veterans

Revision of Veterans Administration Schedule for Rating Disabilities

Public, No. 458 (79th Cong.), approved June 27, 1946, simplifies adjudication of veterans' claims for disability compensation by authorizing the Veterans Administration to substitute its 1945 Schedule for Rating Disabilities for other existing schedules in determining all claims (except

those made under certain provisions for World War I veterans) on or after April 1, 1946. Since the new schedule includes changes both in the description of certain types of disability and the percentage of disability assigned, its inauguration will necessitate readjudication of many claims for which compensation is already being paid. The number of pensions actually increased, however, will be smaller than might otherwise be expected because most of the changes fall within the temporary-disability class. For initial claims the new rates are applicable from the beginning of the eligibility period, whether before or after April 1, 1946, but increases in existing pensions are retroactive only to that date.

Burial Allowance for Veterans

Public, No. 529 (79th Cong.), approved July 24, 1946, increases from \$100 to \$150 the maximum amount payable by the Veterans Administration toward burial costs of a war veteran or a member of the regular armed forces who was discharged for—or in receipt of a pension for—service-connected disability.

National Service Life Insurance

Public, No. 589 (79th Cong.), approved August 1, 1946, amends the National Service Life Insurance Act of 1940, as amended, to initiate a program of monthly disability benefits somewhat similar to those payable under the U. S. Government Life Insurance plan⁶ (which is now closed to most servicemen), revise the plan for payment of life insurance, increase the types of policies to which 5-year level premium term insurance may be converted, and correct certain inequities which had become apparent in the provisions.

Disability benefits.—On proof of good health and payment of extra premiums as prescribed by the Administrator for Veterans Affairs, any person may have included in his National Service Life Insurance policy a provision for monthly payments for total disability exceeding 6 consecutive months in duration, commencing after the date of application for disability insurance and before age 60, and while no premium payment is in

⁵ See the *Bulletin*, May 1944, pp. 46-47.

default. Benefits are payable at the rate of \$5 for each \$1,000 of life insurance in effect, beginning with the seventh month of disability and continuing throughout the disability period. The requirement of good health is waived in the case of a person who, before January 1, 1950, and while not totally disabled, shows that his inability to furnish such proof is due to service-connected disability.

Life insurance.—Payment of an insurance contract which matures on or after August 1, 1946, is made in 36 equal monthly installments unless the insured person elects one of the following options:

- (1) In one payment;
- (2) In equal monthly installments from 36 to 240 in number, in multiples of 12;

(3) In equal monthly installments for 120 months certain, continuing during lifetime of first beneficiary;

(4) As refund life income in monthly installments, payable in a period certain required to make the sum of installments certain (with last reduced, if necessary) equal to the face value of contract, less indebtedness, with such payments continuing throughout the lifetime of the first beneficiary. This option is not applicable if it would result in less than 120 monthly installments.

The first beneficiary may elect payment under any option which provides for payment over a longer period of time than that elected by the insured, or exceeding 36 months if the insured elected no option. If the option chosen would require payment to any one person of installments of less than \$10, the number of payments will be reduced to permit a minimum of \$10 per month. If the present value of the amount payable when a beneficiary first becomes entitled is not sufficient to pay 12 installments of \$10 each, the total will be paid in a lump sum. Options 3 and 4 are not available when the beneficiary is a firm, corporation, legal entity (including the estate of the insured), or trustee of the beneficiary, or in the case of an endowment contract which matures by completion of the endowment period. If a beneficiary who is entitled to a lump sum elects some other type of settlement and dies before receiving all the payments due, the current

value of the remainder will be paid to his estate. If no beneficiary was designated, or if the designated beneficiary does not survive the insured, or if a designated beneficiary who is not entitled to choose a lump sum dies before receiving all benefits due, the commuted value of the remainder will be paid in a lump sum to the estate.

The term "parent" is redefined to include stepparents among permitted beneficiaries. Provisions limiting the choice of beneficiaries to a permitted class of relatives will not apply, however, to policies maturing after the effective date of this amendment, except in a beneficiary's assignment of his interest in the policy to another person.

Life insurance maturing before August 1, 1946, is payable as before, with slight changes:

(1) If the first beneficiary is under age 30 when the policy matures, in 240 equal monthly installments;

(2) If the first beneficiary is 30 or more years of age when the policy matures, in equal monthly installments for 120 months certain, with such payments continuing throughout the life of the beneficiary;

(3) Option in lieu of (1) or (2) above, whereby the insured or beneficiary may elect a refund life income in monthly installments payable for the period certain required in order to make the sum of installments (the last reduced, if necessary) less indebtedness, equal the face value of the contract. This option is not available if it would result in payments over a period shorter than 120 months. The former provision that this option cannot be exercised after payments are begun is waived for 2 years after August 1, 1946, in cases in which benefit payments were begun before September 30, 1944.

Several changes were made to correct inequities in the life insurance provisions. Any person in active service between October 8, 1940, and September 2, 1945, whose written application for insurance was denied on account of health conditions and who thereafter incurred a permanent-total, service-connected disability or died in line of duty will now be considered to have been insured from the date of his original application to the date of his death. Like-

wise, death in line of duty after application but before the effective date of the policy is now deemed to have been covered; at maturity of the policy, premiums will be deducted for the period preceding disability or, if the insured was not disabled, preceding service-connected death. An application for insurance made before January 1, 1950, may not now be denied because of service-connected disability less than total in degree. For insurance purposes (without regard to other claims) this amendment defines total disability in terms of specific anatomical or functional losses, or combinations of losses.

For a year following the date of this amendment, claims will be accepted for waiver of life insurance premiums during any period in the preceding 5 years when the insured was totally disabled for 6 or more consecutive months. After August 1, 1947, waivers will be retroactive for only a year. Any level premium term policy which has lapsed may now be reinstated within the term by payment of two monthly premiums and proof of good health or proof that the disqualifying disability (less than total) is service-connected. Persons unable to prove good health or service-connected cause of condition may substitute proof that their present condition is as good as that on the date of application, provided application is made within 6 months after lapse of premium or date of the amendment.

In addition to the former options for converting 5-year level premium term insurance to policies for ordinary life, 20-payment life, or 30-payment life, the amendment permits conversion (while not totally disabled) to 20-year endowment, endowment at age 60, or endowment at age 65.

Changes in Retirement Programs for Federal Employees

Civilian Teachers at the Naval Academy and Postgraduate School

Public, No. 596 (79th Cong.), approved August 2, 1946, provides for a Government supplement in the case of a teacher with 5 or more years' service whose disability annuity from the insurance policy purchased jointly by the Navy and the employee is less than

$\frac{1}{2}$ of his highest average salary for 5 consecutive years multiplied by the number of years of service, not exceeding 35. This formula for the minimum annuity was formerly applied only to annuities for age and service. The guaranteed minimum of \$1,200 a year for persons in service on January 16, 1936, who become disabled before normal retirement age remains unchanged. The amendment also prescribes a formula for computing the final retirement annuity of a former disability annuitant who recovered and has returned to work, and permits an employee who is entitled to a supplemental annuity from the Navy to elect a reduction of that portion of the annuity in order to provide a survivor annuity equal to—or one-half the amount of—the reduced annuity.

Extension of Civil-Service Retirement Coverage

Public, No. 540 (79th Cong.), approved July 24, 1946, effective at beginning of first pay period in September, extends the coverage of the Civil Service Retirement Act to include the heads of all departments, independent establishments, and agencies (including corporations) in the executive branch of the Federal Government.

Involuntary Separation of Former Disability Annuitant Under the Civil Service Retirement Act

Public, No. 536 (79th Cong.), approved July 24, 1946, provides that "if a recovered disability annuitant whose annuity is discontinued subsequent to June 30, 1945, shall after due diligence on his part fail to obtain reemployment in any position included in the provisions of this act, he shall be considered as having been involuntarily separated from the service . . . as of the date he was retired for disability and shall, after the discontinuance of the disability annuity, be entitled to an annuity . . . computed at the attained age at the date of discontinuance of the disability annuity." Prior to this amendment, the disability annuity was continued for not longer than 1 year after recovery to permit a search for a position, and at the end of that period membership in the system was terminated by refunding the unexpended balance of the employee's contributions.

Concurrent Payment of U. S. Employees' Compensation and Civil-Service Retirement Annuities

In decisions rendered April 3, 1934, and August 6, 1945, the Comptroller General held that payments could not

be made concurrently to a widow for disability or age-and-service annuities in her own right under the Civil Service Retirement Act and for compensation under the U. S. Employees' Compensation Act for the death of her husband. Following representations to Congress by the Civil Service Commission that the two acts are basically different in purpose and that such a widow is entitled to both benefits, Public, No. 557 (79th Cong.), approved July 27, 1946, retroactive to July 1, 1941, was enacted to permit concurrent payment. This amendment, however, did not remove existing restrictions against disability payments from both sources covering the same injury and same period of time.

Legislative and Other Recent Developments Affecting Social Security Financing

Several laws affecting financial operations under social security programs were passed in the closing days of the 79th Congress; these include the Labor-Federal Security Appropriation Act of 1947, the Social Security Act Amendments of 1946, and the First Supplemental Appropriation Act, 1947. In addition, the statement by the President on the review of the 1947 budget in early August made some changes in the previous estimates of social security receipts and trust fund operations during 1946-47. The earlier estimates were contained in the budget sent to Congress in January of this year and were summarized in the February BULLETIN.

Appropriations of \$587 million for expenditures under the Social Security Act represent about 2 percent of all Federal appropriations for the fiscal year 1947, and were 11 percent more than social security appropriations for 1945-46 (table 5). Each item shared in this increase except grants to States for unemployment compensation administration, which were 14 percent less. About 95 percent of the \$587 million was appropriated for grants to States, and the remainder represented administrative expenses. Grants for old-age assistance

Table 5.—Recommended and actual appropriations under the Social Security Act, fiscal years 1945-46 and 1946-47¹

[In thousands]

Item	Appropriations		
	1946-47		1945-46 actual
	Actual	Recom- mended in 1947 budget	
Total, Social Security Act	\$587,370	\$573,604	\$528,647
Social Security Administration (exclusive of Children's Bureau), total	564,317	561,732	516,863
Salaries and expenses	31,272	29,687	28,821
Grants to States, total	533,045	532,045	488,042
Old-age assistance	398,700	398,700	363,000
Aid to dependent children	73,950	73,950	57,000
Aid to the blind	11,350	11,350	11,000
Unemployment compensation administration	49,045	48,045	57,042
Children's Bureau total	22,903	21,717	11,639
Salaries and expenses, maternal and child welfare	903	517	439
Grants to States, total	22,000	11,200	11,200
Maternal and child health services	11,000	5,820	5,820
Services for crippled children	7,500	3,870	3,870
Child welfare services	3,500	1,510	1,510
Department of Commerce, Bureau of Census	150	155	145

¹ Excludes expenses incurred by the Treasury Department in administering title II of the Social Security Act and the Federal Insurance Contributions Act.

² Represents maximum grants authorized by Social Security Act Amendments of 1946; actual appropriations were \$12,705,000, \$8,467,500, and \$4,127,500.

represented 68 percent of the total appropriation; those for aid to dependent children, 13 percent, and for services for crippled children, child welfare services, and maternal and child health services combined, 4 percent, and for grants for unemployment compensation administration, 8 percent.

The largest percentage increases

in appropriations occurred in the three types of maternal and child welfare grants; \$22 million was made available for these programs in 1946-47 in contrast to \$11.2 million in previous years. The Labor-Federal Security Appropriation Act, approved July 26, appropriated \$11.2 million for these grants, the maximum total hitherto authorized by the Social Security Act.

Title IV of the Social Security Act Amendments of 1946, which became law on August 10, raised the maximum sums authorized for the three grants by an additional \$10.8 million.

While these amendments were still under consideration and before the maximums were finally agreed to by a conference committee, Congress acted on the First Supplemental Appropriation Act of 1947, approved August 8, which made available an additional appropriation of \$14.1 million for 1946-47 for the maternal and child welfare titles under the Social Security Act. Since the 1946 amendments provided that additional State allotments during 1946-47 should not exceed the additional amounts authorized by the amendments, however, the full appropriation for 1946-47 cannot be expended in this fiscal year. A further limitation on the use of the additional sums appropriated is that they shall be allotted on a pro rata basis among the States in proportion to the amounts to which each State is entitled by reason of section 401 of the Social Security Act Amendments of 1946. The maximum annual appropriation authorized for each of the three maternal and child welfare programs by the 1946 amendments and the amounts appropriated for 1946-47 in the two appropriation acts are as follows:

Program	Social Security Act before 1946 amendments	Appropriations, 1946-47	Maximum grants authorized by—
			Total
Maternal and child health services	\$11,200,000	\$22,000,000	\$25,300,000
Services for crippled children	5,820,000	11,000,000	12,705,000
Child welfare services	3,870,000	7,500,000	8,467,500
	1,510,000	3,500,000	4,127,500

Table 7, the regular monthly table, which shows appropriations and expenditures for 1945-46 and 1946-47 under programs administered by the Social Security Administration, has been revised to reflect the transfer of the Children's Bureau from the Department of Labor to the Federal Security Agency. It includes some appropriations and expenditures not made under the Social Security Act—

Table 6.—Federal insurance contributions and Federal unemployment taxes, by internal revenue collection district, April-June 1946 and fiscal year 1945-46¹

[In thousands]

Internal revenue collection district in—	April-June 1946			Fiscal year 1945-46		
	Total	Insurance contributions ²	Unemployment taxes ³	Total	Insurance contributions ²	Unemployment taxes ³
Total	\$351,960.3	\$336,331.5	\$15,628.7	\$1,418,148.2	\$1,238,217.7	\$179,930.5
Alabama	3,029.6	2,931.4	98.2	13,729.7	*11,965.3	*1,764.4
Arizona	723.6	712.6	11.0	2,681.9	2,414.3	*267.6
Arkansas	1,047.1	1,031.7	15.4	4,747.1	4,128.3	618.8
California (2 districts)	25,801.6	25,049.6	752.0	114,068.8	*100,010.1	*14,079.7
Colorado	1,941.9	1,883.4	58.5	8,126.1	6,813.9	1,312.2
Connecticut	6,559.5	6,383.1	176.4	27,561.7	*23,939.7	*3,622.1
Delaware	2,485.9	2,389.4	96.5	11,788.2	*9,841.8	1,946.4
Florida	3,607.8	3,555.8	52.0	12,971.2	11,586.4	*1,384.8
Georgia	4,193.4	4,041.5	151.9	15,989.7	14,254.9	1,734.8
Hawaii	900.7	882.7	17.0	3,302.4	2,923.4	379.0
Idaho	609.6	591.8	17.9	2,611.4	2,308.5	303.0
Illinois (2 districts)	32,521.5	30,942.0	1,579.5	122,360.5	106,954.2	*15,406.3
Indiana	6,369.9	6,262.5	107.4	25,888.6	*22,749.6	*3,139.0
Iowa	2,959.9	2,772.5	187.3	11,246.9	10,003.8	*1,243.1
Kansas	1,755.7	1,703.2	52.5	7,825.5	*6,873.3	950.2
Kentucky	2,583.4	2,541.6	41.8	10,466.7	9,213.0	1,253.7
Louisiana	2,815.7	2,745.0	70.7	12,122.1	*10,644.2	*1,477.8
Maine	1,334.1	1,304.1	20.0	5,867.4	*5,170.1	*697.4
Maryland (including Dist. of Col.)	5,790.3	5,807.5	-17.1	23,574.8	*20,652.8	*2,922.0
Massachusetts	14,728.6	14,330.4	398.2	57,226.2	50,173.2	7,053.0
Michigan	19,116.9	17,732.7	1,384.2	87,154.0	*74,647.9	*12,506.0
Minnesota	5,087.9	4,933.7	154.2	20,831.0	18,361.7	*2,469.3
Mississippi	1,027.1	1,018.4	8.8	4,133.4	3,695.6	437.8
Missouri (2 districts)	9,157.2	8,605.8	551.3	36,291.6	31,626.6	4,665.0
Montana	478.3	471.5	6.8	1,890.6	1,715.5	175.2
Nebraska	1,636.5	1,587.3	49.3	6,582.7	5,864.7	*718.1
Nevada	297.2	293.2	4.0	1,148.9	1,033.7	115.2
New Hampshire	974.0	925.5	48.6	3,714.6	3,294.8	419.8
New Jersey (2 districts)	12,620.5	12,031.6	589.0	50,392.8	*43,659.6	*6,733.2
New Mexico	411.3	403.6	7.7	1,551.4	*1,396.9	154.5
New York (6 districts)	77,279.2	72,680.8	4,508.3	286,807.4	*251,330.7	*35,476.6
North Carolina	4,583.1	4,424.3	158.8	18,933.5	*16,471.5	2,462.0
North Dakota	279.5	277.6	1.9	1,092.5	1,010.6	81.9
Ohio (4 districts)	23,123.8	22,097.4	1,026.4	94,129.9	*82,004.7	*12,125.2
Oklahoma	2,920.5	2,800.6	119.9	11,470.6	10,127.4	1,343.1
Oregon	2,703.6	2,649.0	54.6	12,458.5	*10,869.8	*1,588.7
Pennsylvania (3 districts)	30,786.8	29,008.3	1,778.5	130,502.7	*112,863.5	*17,639.2
Rhode Island	2,291.2	2,268.4	22.7	9,359.4	*8,188.9	*1,170.5
South Carolina	1,931.0	1,860.4	40.6	7,691.3	6,593.8	1,097.5
South Dakota	330.4	328.0	2.4	1,319.8	1,210.0	109.8
Tennessee	3,796.6	3,709.6	77.0	15,349.6	13,463.2	1,886.5
Texas (2 districts)	9,479.5	9,050.2	429.3	37,513.7	32,754.7	4,759.0
Utah	810.8	799.4	11.4	3,276.4	2,915.5	*360.9
Vermont	520.2	506.6	13.6	2,056.2	1,822.4	233.8
Virginia	3,838.4	3,692.1	146.4	15,026.6	13,182.7	*1,843.9
Washington (including Alaska)	4,653.7	4,482.8	170.9	21,882.3	*10,211.4	*2,670.9
West Virginia	2,712.1	2,650.9	60.3	11,127.4	9,747.8	1,379.5
Wisconsin	7,024.4	6,813.2	211.1	29,151.3	*25,514.7	*3,636.6
Wyoming	289.9	272.2	12.6	1,132.0	1,016.6	115.6

¹ Less than in preceding fiscal year.

² Data are based on warrants covered by the Bookkeeping and Warrants Division of the Treasury Department and therefore differ slightly from tax receipts in tables 8 and 10, which are based on *Daily Statement of the U. S. Treasury*. Amounts listed in this table represent collections made in Internal revenue collection districts in the respective States and covered into Treasury. The amount received by a particular district does not necessarily represent taxes paid with respect to employment within the State in which that district is located.

³ Tax effective Jan. 1, 1937, payable by employers and employees.

⁴ Tax effective Jan. 1, 1936, payable by employers only. Amounts collected under State unemployment compensation laws and deposited in State unemployment funds not included.

⁵ Represents bookkeeping adjustment made in the last quarter. For collections in the entire fiscal year, see the last column.

Source: Treasury Department, Bureau of Accounts.

including grants to States for emergency maternity and infant care and some administrative expenses of the Children's Bureau.

Table 8, on the other hand, also includes State withdrawals from the unemployment trust fund, so that a total may be shown for all Federal cash outgo for Social Security Administration programs. A total outgo of approximately \$2.0 billion is estimated for 1946-47, about equal to the outgo during 1945-46. Withdrawals by States from the unemployment trust fund for the payment of unemployment benefits are expected to account for a little less than half the total outgo, as compared with a little more than half in 1945-46. Withdrawals are expected to be about 10 percent less than in 1945-46.

Old-age and survivors insurance benefits are expected to increase by more than 25 percent during 1946-47 and to make up 20 percent of the total outgo, a larger share than in the preceding fiscal year. Grants to States are expected to account for about 28 percent of the total, proportionately more than in the preceding period. The 1946-47 appropriations for two grants are smaller than the 1945-46 appropriations: for emergency maternity and infant care, which dropped from \$46 million to \$17 million, and for unemployment compensation administration, which declined from \$57 million to \$49 million.

Cash income of the Federal Gov-

Table 7.—*Federal appropriations and expenditures under Social Security Administration programs by specified period, 1945-47¹*

[In thousands]

Item	Fiscal year 1945-46		Fiscal year 1946-47	
	Appropriations ²	Expenditures through July ³	Appropriations ²	Expenditures through July ³
Total	\$907,749	\$72,785	\$1,013,531	\$132,122
Administrative expenses	31,833	2,413	34,822	2,999
Federal Security Agency, Social Security Administration ⁴	31,668	1,642	34,672	2,210
Department of Commerce, Bureau of the Census	145	8	150	14
Department of the Treasury ⁵	(6)	762	(6)	775
Grants to States	555,406	47,233	571,709	95,790
Unemployment compensation administration	57,042	8,792	49,045	16,004
Old-age assistance		28,952		63,098
Aid to the blind	441,000	676	484,000	1,826
Aid to dependent children		4,471		12,753
Maternal and child health services	5,820	396	7,11,000	18
Services for crippled children	3,870	178	7,500	109
Child welfare services	1,510	67	7,3,500	219
Emergency maternity and infant care	46,164	3,701	16,664	1,763
Benefit payments, old-age and survivors insurance	\$320,510	\$23,139	\$407,000	\$33,333

¹ Transfer of Children's Bureau to Federal Security Agency became effective on July 16, 1946; 1945-46 data for programs administered by Children's Bureau (maternal and child health services, services for crippled children, child welfare services, and emergency maternity and infant care) included to permit comparison between figures for 2 years.

² Excludes unexpended balance of appropriations for preceding fiscal year.

³ Based on checks cashed and returned to Treasury. Includes expenditures from unexpended balance of appropriations for preceding fiscal year.

⁴ Represents appropriations and expenditures for salaries and allowances, and expenditures from Federal Security Agency and Department of Labor appropriations for printing and binding, penalty mail, and traveling expenses.

⁵ Represents amounts expended by Treasury in administering title II of the Social Security Act and

the Federal Insurance Contributions Act, reimbursed from old-age and survivors insurance trust fund to general fund of Treasury.

⁶ Not available because not separated from appropriations for other purposes.

⁷ Represents maximum grants authorized by Social Security Act Amendments of 1946; actual appropriations were \$12,705,000, \$8,467,500, and \$4,127,500.

⁸ Represents actual payments from old-age and survivors insurance trust fund.

⁹ Represents estimated expenditures as shown in 1946-47 budget.

Source: Federal appropriation acts and 1946-47 budget (appropriations); *Daily Statement of the U. S. Treasury* (expenditures).

ernment under social insurance programs with which the Social Security Administration is directly concerned

is expected to be about \$2.5 billion, slightly more than in 1945-46. Collections under both the Federal Insurance Contributions Act and the Federal Unemployment Tax Act are expected to increase somewhat over those in 1945-46, while deposits in the unemployment trust fund of contributions collected under State unemployment compensation laws are expected to remain about the same.

Title I of the 1946 amendments freezes employer and employee contribution rates under the Federal Insurance Contributions Act at 1 percent each for the calendar year 1947, the eleventh consecutive year during which the 1-percent rates will have been in effect. Without this amendment, rates would have risen to 2½ percent each on January 1, 1947. Under the amended legislation the rates are scheduled to increase to 2½ percent on January 1, 1948.

While the President's August re-

Table 8.—*Cash income and outgo under Social Security Administration programs, fiscal years 1945-46 and 1946-47*

[In millions]

Item	1946-47 estimated	1945-46 actual
Cash income, total		
Federal Insurance contributions	\$2,541	\$2,428
Federal unemployment taxes	1,344	1,238
State deposits in unemployment trust fund	187	180
Cash outgo, total	2,010	1,010
Administrative expenses, total	2,024	2,024
Social Security Administration	42	39
Department of the Treasury	33	30
Grants to States	9	9
Unemployment compensation administration	575	536
Old-age assistance	49	56
Aid to the blind	399	361
Aid to dependent children	11	10
Maternal and child welfare ¹	74	59
State withdrawals from unemployment trust fund	42	50
Old-age and survivors insurance benefit payments	1,000	1,128
	407	321

¹ Transfer of Children's Bureau to Federal Security Agency became effective July 16, 1946; comparable 1945-46 figures for Children's Bureau programs (see footnote 2) included to permit comparison between 2 years.

² Maternal and child health services, crippled children, child welfare services, and emergency maternity and infant care.

Source: Federal appropriations acts, 1946-47 budget, and publications of Treasury Department.

view of the 1947 budget figures made some important changes in the estimates of total Federal receipts and expenditures—necessitated both by legislation adopted since January and by changes since that time in the economic outlook—only relatively minor adjustments were made in the estimates for social security financial operations. The increase in assets of

the Federal old-age and survivors insurance trust fund is now set at \$1.1 billion, or about 10 percent less than the original estimate in the 1947 budget, which had assumed that collections during the April-June quarter of 1947 would be at the 2½ percent rates. Benefit payments from the fund are estimated at \$407 million, 27 percent more than in 1945-46.

Receipts of the unemployment trust fund during 1946-47 are expected to exceed expenditures by about \$275 million. Estimated deposits of \$1 billion by the States are expected to be about the same as their withdrawals from the fund, since a decline in withdrawals of about 10 percent from the \$1.1 billion peak of 1945-46 is anticipated. The fund's excess of income

Table 9.—Federal grants to States under the Social Security Act:¹ Checks issued by the Treasury Department in the fiscal years 1944-45 and 1945-46

[In thousands]

State	Fiscal year 1944-45, total	Fiscal year 1945-46							
		Total	Old-age assistance	Aid to dependent children	Aid to the blind	Unemploy- ment com- pensation administra- tion	Maternal and child health services	Services for crippled children	
Total, all participating States	\$457,295.5	\$488,531.3	\$352,792.9	\$58,307.8	\$10,095.1	\$55,725.6	\$6,030.8	\$4,176.1	\$1,278.3
Alabama	5,017.1	5,215.7	3,249.8	938.3	79.0	596.7	198.7	110.8	42.5
Alaska	483.6	455.2	214.5	23.4	(1)	94.4	66.1	45.9	10.8
Arizona	3,108.3	2,959.3	2,154.7	367.0	107.6	235.5	68.7	42.7	10.1
Arkansas	4,861.1	4,034.0	2,586.7	632.1	133.7	479.6	101.1	67.1	33.7
California	45,214.2	36,019.8	1,986.3	1,284.3	6,272.5	212.8	139.2	64.9	14.7
Colorado	10,706.1	9,416.9	8,581.9	752.7	106.5	246.4	83.7	61.0	11.1
Connecticut	3,736.9	4,869.3	3,062.0	599.6	28.9	1,059.7	80.9	73.2	11.4
Delaware	420.9	455.2	131.8	81.5	5.2	174.0	32.0	19.4	8.3
District of Columbia	1,120.5	1,161.2	472.2	209.3	43.0	306.5	66.5	55.4	22.2
Florida	8,540.1	10,461.3	7,942.7	1,346.7	440.6	490.2	124.3	94.4	42.5
Georgia	6,408.0	6,981.1	4,983.0	679.4	197.4	802.7	167.1	105.6	45.9
Hawaii	569.8	559.1	213.4	144.4	11.5	82.5	43.9	10.5	8.5
Idaho	2,533.6	2,292.9	1,717.0	267.6	37.6	185.1	54.3	22.7	10.1
Illinois	29,882.9	35,441.4	25,289.8	4,966.5	1,065.4	3,788.8	163.4	147.3	20.5
Indiana	11,079.1	12,103.1	8,888.5	1,290.2	371.5	1,354.5	135.6	68.2	30.4
Iowa	10,224.4	9,874.8	8,866.7	587.0	245.6	257.8	70.6	124.0	25.3
Kansas	6,381.3	6,395.9	4,827.4	694.7	206.1	523.7	82.1	41.2	20.6
Kentucky	5,768.3	4,870.1	3,193.1	112.9	131.1	469.4	168.4	163.4	31.4
Louisiana	9,153.3	7,715.8	4,727.0	1,780.0	207.6	763.8	131.4	81.0	25.3
Maine	3,471.3	3,494.3	2,589.3	330.8	148.4	293.5	67.7	35.0	20.0
Maryland	3,433.4	3,987.8	1,999.8	831.3	84.7	836.4	139.1	67.1	29.4
Massachusetts	19,257.9	20,833.8	16,616.8	1,675.7	232.2	2,057.9	120.9	111.1	19.1
Michigan	19,973.3	24,686.0	17,444.7	2,569.0	283.4	4,063.8	157.5	131.8	35.9
Minnesota	13,239.0	11,667.2	9,558.0	999.4	197.2	676.9	94.8	131.5	9.3
Mississippi	4,692.4	3,781.3	2,502.6	475.4	195.1	303.4	152.6	102.8	47.1
Missouri	16,886.9	21,190.8	16,892.3	2,842.8	(1)	1,160.4	143.8	112.1	39.4
Montana	2,931.6	2,646.3	2,004.2	291.5	73.8	184.7	60.2	26.2	5.7
Nebraska	5,113.4	5,144.8	4,268.6	466.8	79.7	167.7	65.5	74.7	21.7
Nevada	611.9	684.9	467.8	(1)	(1)	148.1	48.9	9.8	10.4
New Hampshire	1,567.3	1,696.7	1,171.2	171.6	50.6	222.2	43.1	24.3	13.6
New Jersey	7,356.9	7,603.6	3,937.8	724.8	112.8	2,639.0	77.4	90.4	21.5
New Mexico	2,021.0	1,920.9	1,059.0	522.4	41.7	139.4	102.6	37.1	18.7
New York	30,409.1	37,244.9	21,094.5	6,064.0	731.6	8,795.5	339.9	175.8	43.6
North Carolina	4,961.7	4,919.8	2,562.2	1,020.2	339.8	682.1	168.3	120.0	27.2
North Dakota	2,222.8	1,980.4	1,470.1	303.5	21.5	88.4	53.8	37.9	14.3
Ohio	24,795.2	28,084.0	21,828.4	1,953.3	594.9	3,327.5	246.9	100.0	33.0
Oklahoma	17,901.2	21,393.3	16,875.8	3,382.3	400.6	504.1	105.1	96.6	28.8
Oregon	5,015.2	5,853.1	4,610.8	307.2	87.9	722.9	66.1	45.8	11.3
Pennsylvania	22,154.6	26,064.5	15,333.6	6,301.8	(1)	3,909.0	270.6	188.0	61.5
Puerto Rico	718.5	318.6	(1)	(1)	(1)	(1)	230.3	64.9	23.5
Rhode Island	2,104.3	2,414.0	1,511.6	348.8	19.6	398.8	44.4	80.6	9.7
South Carolina	3,137.7	3,510.8	2,184.8	596.7	135.7	305.7	164.4	95.9	36.5
Tennessee	2,422.9	2,327.1	1,841.5	289.2	30.5	68.0	45.8	41.4	10.7
Texas	7,395.9	6,670.5	3,542.6	1,984.7	178.2	732.5	122.5	61.8	48.1
Utah	30,338.0	28,430.1	24,468.1	1,392.4	658.4	1,402.5	288.6	184.1	36.1
Vermont	986.9	3,637.9	2,778.7	442.5	28.3	267.3	56.2	58.6	6.4
Virginia	2,923.8	3,083.7	1,391.1	715.2	124.9	547.5	152.7	116.8	35.5
Washington	16,339.7	15,114.8	12,626.8	874.1	133.8	1,314.2	74.9	69.2	21.7
West Virginia	4,268.5	3,903.1	1,762.0	1,264.8	86.8	570.6	112.7	62.1	44.0
Wisconsin	9,326.7	10,683.9	8,220.3	1,254.9	266.7	758.9	84.3	69.4	29.4
Wyoming	949.3	932.6	677.4	78.7	21.6	100.5	20.8	21.7	12.0

¹ During the fiscal year 1945-46, Federal grants for public assistance—old-age assistance, aid to dependent children, and aid to the blind—and for unemployment compensation administration were made by the Social Security Board and grants for the 3 maternal and child health programs, by the Children's Bureau of the Department of Labor. Beginning with July 16, 1946, Federal functions relating to all 7 programs are among the responsibilities of the Social Security Administration, an operating branch of the Federal Security Agency.

² Includes \$10,788,625 for grants for public health work to Public Health Service

under title VI of the Social Security Act; beginning July 1945, such grants have been made under the Public Health Service Act of July 1944.

³ Includes \$124,665 to California for public health work, granted in August 1945 but charged to the appropriation for the preceding fiscal year.

⁴ No plan approved by Social Security Administration.

Sources: Compiled from data furnished by the Treasury Department, Bureau of Accounts

over outgo will result from interest earned on its investments and an estimated increase of about \$125 million in the balance in the railroad unemployment insurance account. Because of heavy withdrawals from the fund during the past fiscal year, its assets increased by only \$134 million, less than the interest earned in that year. In 1944-45, when withdrawals were only \$70 million, the fund's assets increased by \$1.4 billion.

Other provisions of the Social Security Act Amendments of 1946 beside those in titles I and IV have a bearing on social security financial operations. Title II authorizes a Government contribution to the old-age and survivors insurance trust fund to cover the cost of benefits provided by that title to survivors of certain World War II veterans who die. Coverage of private maritime employment under State unemployment compensation laws is effected by title III, which also sets up a temporary program for unemployed seamen who have performed Federal maritime service. Title V raises the maximums on old-age assistance, aid to dependent children, and aid to the blind payments subject to Federal matching, and also increases the Federal share.⁶ An

⁶ For detailed discussion of these provisions see pp. 3-4 and 25-30.

Table 10.—Contributions and taxes under selected social insurance and related programs, by specified period, 1944-46

[In thousands]

Period	Retirement, disability, and survivors insurance			Unemployment insurance		
	Federal insurance contributions ¹	Federal civil-service contributions ²	Taxes on carriers and their employees	State unemployment contributions ³	Federal unemployment taxes ⁴	Railroad unemployment insurance contributions
Fiscal year:						
1944-45	\$1,309,910	\$486,719	\$285,038	\$1,251,958	\$184,544	\$131,993
1945-46	1,238,218	528,049	282,610	1,009,091	179,930	129,126
1945						
July	61,501	27,976	1,478	173,103	2,998	50
August	285,803	25,236	8,209	150,319	12,068	1,369
September	4,731	27,267	59,397	5,870	1,768	31,401
October	54,434	23,859	1,408	122,910	2,551	54
November	237,766	24,881	8,479	106,116	10,281	845
December	6,910	21,664	58,525	7,672	770	31,882
1946						
January	32,819	23,692	5,061	96,509	13,292	76
February	199,548	21,662	3,461	95,148	106,998	856
March	18,367	21,198	64,561	3,607	13,576	31,083
April	60,752	21,690	1,349	106,107	3,014	54
May	268,945	22,049	5,293	135,903	11,174	834
June	6,634	22,872	65,240	5,828	1,440	30,622
July	62,317	24,223	2,257	95,266	2,245	65

¹ Represents contributions of employees and employers in employment covered by old-age and survivors insurance.

² Represents employee and Government contributions to the civil-service, Canal Zone, and Alaska Railroad retirement and disability funds; in recent years Government contributions are made in July for the entire fiscal year.

³ Represents contributions plus penalties and interest collected from employers and contributions from employees in 4 States, deposited in State clear-

ing accounts. Data reported by State agencies, corrected to Aug. 20, 1946.

⁴ Represents taxes paid by employers under the Federal Unemployment Tax Act.

⁵ Represents July contributions of \$21.5 million from employees, and contributions for fiscal year 1946-47 of \$221.5 million from the Federal Government and of \$1.2 million from the District of Columbia for certain District government employees.

Source: *Daily Statement of the U. S. Treasury*, unless otherwise noted.

additional appropriation for public assistance grants for the fiscal year 1946-47 will presumably be necessary to carry out the terms of this title.

Beginning with this issue of the BULLETIN, the expenditure columns of table 7 reflect the provision in the 1947 appropriation act which requires

Table 11.—Status of the unemployment trust fund, by specified period, 1936-46

[In thousands]

Period	Total assets at end of period	Net total of U. S. Government securities acquired ¹	Unexpended balance at end of period	State accounts				Railroad unemployment insurance account			
				Deposits	Interest credited	Withdrawals ²	Balance at end of period	Deposits	Interest credited	Benefit payments	Balance at end of period ^{2,2}
Cumulative, January 1, 1936-July 1946	\$7,400,916	\$7,350,000	\$50,916	\$9,500,297	\$507,880	\$3,541,407	\$6,646,926	\$618,744	\$47,272	\$66,559	\$762,990
Fiscal year:											
1944-45	7,315,258	1,437,173	8,084	1,256,003	113,140	70,492	6,679,108	118,794	10,502	785	636,150
1945-46	7,449,120	101,527	40,120	1,009,909	130,373	1,128,720	6,690,773	116,214	13,220	17,197	758,347
1945											
July	7,372,826	35,000	30,653	62,778	-----	14,932	6,726,955	45	-----	41	645,870
August	7,610,393	251,000	17,219	257,968	21,593	6,963,330	1,232	-----	41	647,061	
September	7,596,118	-20,000	22,944	8,750	3,494	55,040	6,920,534	28,261	327	100	675,582
October	7,531,594	-90,000	48,420	42,316	437	107,224	6,856,064	49	41	216	675,528
November	7,606,978	65,000	58,804	183,097	141	108,283	6,931,019	760	13	388	675,957
December	7,537,391	-39,990	29,208	8,803	4,341	111,228	6,832,935	28,694	412	608	704,455
1946											
January	7,497,917	-50,000	39,733	32,898	57,042	134,146	6,788,831	67	5,644	1,081	709,086
February	7,518,918	-60,735	157,391	15	135,621	8,810,616	782	1	1,567	708,302	
March	7,425,982	-80,000	47,779	7,780	3,705	130,100	6,692,001	27,964	308	2,673	733,961
April	7,352,437	-80,000	54,253	39,431	383	110,207	6,621,608	49	40	3,268	730,829
May	7,439,485	85,000	56,302	198,765	109,380	6,710,903	751	-----	3,119	728,492	
June	7,449,120	25,816	40,120	9,930	60,816	9,966	6,690,773	27,559	6,374	4,094	758,347
July	7,409,916	-50,000	50,916	40,043	25	83,915	6,646,926	68	3	4,744	762,990

¹ Includes accrued interest; minus figures represent net total of securities redeemed.

² Includes transfers from State accounts to railroad unemployment insurance account amounting to \$106,826,000.

² Includes transfers from railroad unemployment insurance administration fund amounting to \$56,864,000.

Source: *Daily Statement of the U. S. Treasury*.

that salaries of the Bureau of Old-Age and Survivors Insurance shall henceforth be charged directly to the Federal old-age and survivors insurance trust fund. Previously, these salaries

were paid from the general fund, which was then reimbursed quarterly from the trust fund. The nonsalary expenditures of that Bureau, however, as well as all other expenditures of

the Social Security Administration chargeable to old-age and survivors insurance, will continue to be reimbursed from the fund.

Table 12.—Status of the old-age and survivors insurance trust fund, by specified period, 1937-46
[In thousands]

Period	Receipts		Expenditures		Assets			
	Transfers and appropriations to trust fund ¹	Interest received ²	Benefit payments	Administrative expenses ³	Net total of U. S. Government securities acquired ⁴	Cash with disbursing officer at end of period	Credit of fund account at end of period	Total assets at end of period
Cumulative, January 1937-July 1946	\$8,321,832	\$676,278	\$1,137,329	\$191,385	\$7,548,734	\$56,133	\$64,548	\$7,669,416
Fiscal year:								
1944-45	1,309,919	123,854	239,834	26,950	1,137,411	35,092	32,007	6,613,381
1945-46	1,238,218	147,766	320,510	37,427	1,002,453	49,167	43,527	7,641,428
1945								
July	61,501		23,139	2,476		35,938	67,048	6,649,267
August	295,803		22,888	2,476		38,021	325,404	6,609,706
September	4,731	9,242	23,497	2,476	273,000	39,074	39,351	6,697,706
October	54,434		25,365	2,838		38,683	65,974	6,923,938
November	237,766	90	24,062	2,838	-15,000	42,582	268,020	7,134,883
December	6,916	7,371	25,678	2,838	250,490	44,870	21,362	7,120,655
1946								
January	32,819	15,371	27,953	3,309	-10,347	44,884	48,275	7,137,583
February	199,548		27,707	3,309		46,153	215,538	7,306,114
March	18,367	9,242	28,589	3,309	180,000	46,509	30,893	7,301,825
April	60,752	26	29,545	3,853	-5,000	47,925	61,857	7,320,206
May	288,945		30,855	3,853		48,037	295,982	7,563,443
June	6,634	106,415	31,212	3,853	329,310	49,167	43,527	7,641,428
July	62,317		33,333	905		56,133	64,548	7,669,416

¹ Beginning July 1940, trust fund appropriations equal taxes collected under the Federal Insurance Contributions Act.

² Interest on investments held is credited annually in June; on investments redeemed, in month of redemption.

³ Represents reimbursements to Treasury for administrative expenses in connection with administering old-age and survivors insurance and, beginning July

1946, salary payments of Bureau of Old-Age and Survivors Insurance; before July 1946, salaries of Bureau of Old-Age and Survivors Insurance were included with reimbursements to Treasury.

⁴ Includes accrued interest; minus figures represent net total of securities redeemed.

Source: Daily Statement of the U. S. Treasury.

Recent Publications in the Field of Social Security*

Social Security Administration

BUREAU OF EMPLOYMENT SECURITY. *Special Postwar Problems of Women Claimants*. Washington: The Bureau, 1946. 75 pp. Processed. (Research and Statistics Letter No. 120.)

Reviews the wartime increase in the employment of women and considers the prospects for their postwar employment and the development of a policy for interpreting "suitable work," "available for work," and other special problems relating to their

*The inclusion of prices of publications in this list is intended as a service to the reader, but any orders must be directed to publishers or booksellers and not to the Social Security Administration or the Federal Security Agency. Federal publications for which prices are listed should be ordered from the Superintendent of Documents, U. S. Government Printing Office, Washington 25, D. C.

eligibility for unemployment insurance. Free distribution within the limit of the supply; apply to the Bureau of Employment Security, Social Security Administration, Washington 25, D. C.

MUSHKIN, SELMA J.; SCITOVSZKY, ANNE; and SMALL, LEILA N. *Social Insurance Financing in Relation to Consumer Income and Expenditures*. Washington: U. S. Social Security Board, 1946. 105 pp. Processed. (Bureau of Research and Statistics, Bureau Memorandum No. 63.)

"Attempts to appraise the effect of the social insurances on purchasing power, and to reexamine the financial provisions of the present social insurance system and of various proposals for its modification." Limited supply available for research workers and interested organizations; apply to the Bureau of Research and Statistics, Social Security Administration, Washington 25, D. C.

General

"Amendment of the New Zealand Social Security Act." *International Labour Review*, Montreal, Vol. 53, Mar.-Apr. 1946, pp. 265-266. 50 cents.

Amendments, adopted in November 1945, provide for universal family allowances, for increasing the rates of cash benefits, and for liberalizing the means test, when it exists.

AUSTRALIA. DEPARTMENT OF SOCIAL SERVICES. *Social Services Embracing Invalid and Old-Age Pensions, Widows' Pensions, Child Endowment, Maternity Allowances, and Unemployment and Sickness Benefits*. Melbourne: J. J. Gourley, Govt. Printer, 1946 (?). 40 pp.

A handbook giving history, qualifications, benefits, and other pertinent information.

COLE, MARGARET. *Beatrice Webb*. New York: Harcourt, Brace and Company, 1946. 228 pp. \$3.

"Effect of the Family Allowances Act, 1945." *National Insurance Gazette*, London, Vol. 35, July 25, 1946, pp. 369-370 f. 6d.

Points out the effect of the act on

the supplementary allowances payable under the workmen's compensation act.

ENGBERG, EUGENIE. "Sovjetunionens Sociallovgivning." *Socialt Tidskrift*, Copenhagen, Denmark, Vol. 22, Apr.-May 1946, pp. 105-195.

A comprehensive review of Russian social insurance and social services.

INTERNATIONAL LABOR OFFICE. *The War and Women's Employment: The Experience of the United Kingdom and the United States*. Montreal: The Office, 1946. 287 pp. (Studies and Reports, New Series No. 1.) \$1.50.

KUZNETS, SIMON, and FRIEDMAN, MILTON. *Income From Independent Professional Practice*. New York: National Bureau of Economic Research, 1946. 599 pp. (Publication No. 45.) \$4.50.

Detailed description of the income structure and the factors determining the size and fluctuations in income of five professions—medicine, dentistry, law, certified public accountancy, and consulting engineering.

MENDERSHAUSEN, HORST. *Changes in Income Distribution During the Great Depression*. New York: National Bureau of Economic Research, 1946. 173 pp. (Conference on Research in Income and Wealth. Studies in Income and Wealth, Vol. 7.) \$2.50.

An analysis, based mainly on data from the Financial Survey of Urban Housing, of shifts in the structure of the national income between 1929 and 1933. Considers the changes in total income levels, in the distribution of income by size, and in the relative position of individual families in the income scale.

The Municipal Year Book 1946: The Authoritative Résumé of Activities and Statistical Data of American Cities. Editors: Clarence E. Ridley and Orin F. Nolting. Chicago: The International City Managers' Association, 1946. 593 pp. \$8.50.

Includes chapters dealing with retirement systems for municipal employees, municipal finance, and welfare and health developments, as well as directories of officials.

NEW ZEALAND. SOCIAL SECURITY DEPARTMENT. *Social Security, Monetary Benefits and War Pensions in New Zealand*. Wellington: E. V. Paul, Govt. Printer, 1946. 51 pp.

A revised edition of a handbook describing the development of the programs and the present provisions.

PORTUGAL. SECRETARIADO DE CULTURA POPULAR. *Social Assistance in Por-*

tugal. Lisbon: 1945. 167 pp. A survey of medical and social assistance, both Government and private.

"Social Insurance Reforms in Czechoslovakia." *International Labour Review*, Montreal, Vol. 53, Mar.-Apr. 1946, pp. 264-265. 50 cents.

In December 1945 the Czechoslovak Provisional National Assembly passed five acts increasing certain cash benefits under the social insurance program.

"Social Security Legislation in Italy, 1945-46." *Monthly Labor Review*, Washington, Vol. 62, June 1946, pp. 925-927. 30 cents.

Information on legislation increasing disability and old-age pensions, family allowances, and unemployment and tuberculosis insurance benefits. *United Nations News*. New York, Vol. 1, Jan. 1946. \$2 a year.

A monthly periodical published by the Woodrow Wilson Foundation and "devoted exclusively to news and reports of the United Nations, its functional agencies and other international organizations."

United Nations Weekly Bulletin. New York, Vol. 1, Aug. 3, 1946. \$6 a year.

Published by the United Nations Department of Public Information and distributed through the International Documents Service, Columbia University Press, this periodical includes background information, proceedings, reports, and official statements relating to the United Nations and its specialized agencies.

"Welfare Provisions for Miners in Six Foreign Countries." *Monthly Labor Review*, Washington, Vol. 62, June 1946, pp. 862-867. 30 cents.

WINANT, JOHN G. "Progress Made by the Economic and Social Council." *Department of State Bulletin*, Washington, Vol. 15, July 7, 1946, pp. 26-28. 10 cents.

Old-Age and Survivors Insurance

ARGENTINE REPUBLIC. INSTITUTO NACIONAL DE PREVISION SOCIAL. JUBILACIONES Y PENSIONES CIVILES. Memoria Correspondiente al Ejercicio 1944. Buenos Aires: Instituto Nacional de Previsión Social, 1946. 67 pp.

Report on the Civil Pension Fund for 1944.

"Compensation and Service of Railroad Employees, 1944." *Monthly Review* (Railroad Retirement Board), Chicago, Vol. 7, July 1946, pp. 106-111 f.

MUNICIPAL FINANCE OFFICERS ASSOCIATION OF THE UNITED STATES AND CANADA. COMMITTEE ON PUBLIC EMPLOYER RETIREMENT ADMINISTRATION. Retirement Plans for Public Employees. Chicago: The Association, 1946. 36 pp. \$1.

"An outline of the basic principles governing retirement planning for public employees."

"Old Age and Blind Pensioners in Canada; Financial and Statistical Summary as of March 31, 1946." *Labour Gazette*, Ottawa, Vol. 46, May 1946, pp. 706-708. 20 cents a year.

"A Pension Fund for Textile Workers in Cuba." *International Labour Review*, Montreal, Vol. 53, Mar.-Apr. 1946, pp. 271-272. 50 cents.

Summarizes the provisions of Act No. 14 of December 12, 1945, which established a pension insurance plan for workers in the textile and related industries.

Employment Security

FELLNER, WILLIAM. *Monetary Policies and Full Employment*. Berkeley, Los Angeles; University of California Press, 1946. 268 pp. \$3.50.

Analyzes the social and economic factors which produce periods of stagnation and discusses the merits and limitations of alternative monetary and fiscal policies aimed at creating full employment.

McGARRY, JOHN E. "Unemployment Compensation During Reconversion." *American Federationist*, Washington, Vol. 53, Aug. 1946, pp. 24-25. 20 cents.

Policy statement, with comment, formulated by the New York State Unemployment Insurance Advisory Council relative to disqualifying claimants for refusal of job offers.

MISSOURI. UNEMPLOYMENT COMPENSATION COMMISSION. *Individual Wages in Excess of \$3,000 Per Year, Now Exempt From Contribution in Relation to Total Wages and Effect of This Exemption on the Unemployment Compensation Reserve Fund, for 1941-1944*. Jefferson City: The Commission, 1946. 18 pp. Processed. (Special Research Bulletin No. 16.)

PIGOU, A. C. *Lapses from Full Employment*. London: Macmillan & Co., Ltd., 1945. 73 pp. 4s. 6d.

Considers the extent to which wage rates, the demand for labor, and the movement of labor affect employment.

PORTUGAL. MINISTÉRIO DAS OBRAS PÚBLICAS E COMUNICAÇÕES. COMISSARIADO DO DESEMPREGO. *Boletim Número 26-Ano de 1944*. Lisbon: Imprensa Nacional, 1945. 271 pp.

Annual report of the Portuguese Unemployment Commission for 1944.

"Unemployment Relief in China During the Transition Period." *International Labour Review*, Montreal, Vol. 53, Mar.-Apr. 1946, pp. 226-227. 50 cents.

Regulations adopted in October 1945 provide for the payment of 3 months' wages to discharged workers.

Work To Do: A Survey of the Unemployment Problem. Dublin, Eire: The Mount Street Club, 1945. 120 pp. 1s. 6d.

A collection of short papers which discuss the unemployment problem in Eire and the work of the Mount Street Club, a cooperative, "self-help" club for unemployed men in Dublin.

Public Welfare and Relief

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Part I lists national public and private agencies, giving location and functions of each; Part II gives State and local agencies by State; Part III, a geographical list of sight-saving classes; and Part IV, selected lists of agencies by functions.

FAMILY SERVICE ASSOCIATION OF AMERICA. *Some Dynamics of Social Agency Administration*. New York: The Association, 1946. 76 pp. 75 cents.

A series of papers which discuss the role of the executive, the board, and the staff in agency administration and planning.

GREAT BRITAIN. EXCHEQUER AND AUDIT DEPARTMENT. *Widows', Orphans' and Contributory Pensions Act, 1936 to 1941; Accounts 1944*. London: H. M. Stationery Office, 1946. 12 pp. 2d.

Receipts and expenditures during the year ended March 31, 1945.

HOLLENBECK, G. M. "Administrative Planning." *Public Welfare*, Chicago, Vol. 4, July 1946. pp. 155-158. 50 cents.

Program planning to facilitate administration as developed by the Wel-

fare Department in Yakima County, where the highly seasonal character of employment caused corresponding variations in the need for public assistance.

LOWRY, LAWSON G. *Psychiatry for Social Workers*. New York: Columbia University Press, 1946. 337 pp. \$3.50.

"This book aims to present the indicator symptoms of deviations in mental functioning . . . which will help the social worker to a greater awareness of the type of personal disturbance she is dealing with in her client."

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Discusses the social legislation needed to assure "a unified, integrated and comprehensive system of social insurance and public assistance designed to provide a minimum standard of living for every man, woman, and child . . ."

TOWLE, CHARLOTTE. "Social Case Work in Modern Society." *Social Service Review*, Chicago, Vol. 20, June 1946, pp. 165-179. \$1.25.

"Use of General Relief Funds for Foster Care of Children." *Public Aid in Illinois*, Chicago, Vol. 13, July 1946, pp. 5 f.

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WICKWAR, H. HARDY. "The Welfare Map of Europe." *Social Service Review*, Chicago, Vol. 20, June 1946, pp. 141-149. \$1.25.

Reviews the trends in the development of local general relief, child welfare, medical assistance, and profes-

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AUSTRALIA. PARLIAMENT. JOINT COMMITTEE ON SOCIAL SECURITY. *Eighth Interim Report*. Canberra: L. F. Johnston, Govt. Printer, 1945. 50 pp. 2s. 3d.

The Committee's recommendations concerning medical services for Australia include the establishing of health centers, construction of added hospitals, provision of maternal and child health measures, and various auxiliary medical services. The appendix contains the Interim Report of the Medical Planning Committee.

BECK, BERTRAM, M. *Short-Term Therapy in an Authoritative Setting*. New York: Family Service Association of America, 1946. 112 pp. \$1.25.

Examines "some of the more basic problems in military social work with particular emphasis on what civilian practice may use from the military experience."

BRIGHOUSE, GILBERT. *The Physically Handicapped Worker in Industry*. Pasadena: California Institute of Technology, Industrial Relations Section, 1946. 54 pp. (Bulletin No. 13.) \$2.

An appraisal of the work experience, effectiveness, absences, accidents, and morale of the physically handicapped employees of the Lockheed Aircraft Corporation in comparison with a group of physically normal employees.

"British Medical Association and the National Health Service Bill." *British Medical Journal*, London, No. 4447, Mar. 30, 1946, pp. 461-474. 1s. 6d.

Includes the text of the White Paper explaining the proposed health services, a statement of the Principles of the Profession drawn up by the negotiating committee representing the medical associations, and a report by the Council of the British Medical Committee opposing, in the main, the Government's proposals.

DUNCAN, OTIS DURANT. *Social Research on Health*. New York: Social Science Research Council, 1946. 212 pp. \$1.

A memorandum which indicates the conditions and problems relating to health, particularly in the South, on which further study is needed, and suggests possible analytical approaches to these problems.

"Employment Injury and Maternity Insurance in Turkey." *Interna-*

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Summarizes legislation enacted in June and July 1945 introducing insurance against industrial accidents, occupational diseases, and maternity and establishing a Workers' Insurance Institute to administer the program.

GARDINER, ELIZABETH G., and THOMAS, FRANCISCA K. *The Road to Recovery From Illness: A Study of Convalescent Homes Serving New York City*. New York: Hospital Council of Greater New York, 1945. 197 pp. A survey, prepared for the Committee on Convalescent Care Practice, with special emphasis on the homes' admission and discharge policies, facilities and personnel, relation to referring agencies, and financial problems.

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The new official journal of the American Geriatrics Society is devoted to research and clinical study of the diseases of the aged and the aging processes.

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This Committee, with Sir Will Spens as chairman, surveyed the range of incomes, 1936-38, by age group, and on the basis of their findings made recommendations concerning the remuneration a general practitioner ought to receive.

HURLIN, RALPH G. *Statistics of Medical Social Casework in New York City: 1945*. New York: Russell Sage Foundation, 1946. 31 pp. 25 cents.

ILLINOIS STATE MEDICAL SOCIETY. COMMITTEE ON THE MEDICAL CARE OF PUBLIC ASSISTANCE RECIPIENTS. "Report." *Illinois Medical Journal*, Oak Park, Ill., Vol. 90, July 1946, pp. 40-45.

Discusses policies for medical aid to public assistance recipients in Illinois.

KEITH, GEORGE M. "Disability Assistance." *Public Welfare*, Chicago, Vol. 4, July 1946, pp. 151-154. 50 cents.

An account of Wisconsin's public

assistance program for totally and permanently disabled persons who need continuous care.

KESSLER, HENRY H. "General Principles of Evaluating Disability." *Tennessee Law Review*, Knoxville, Vol. 19, Apr. 1946, pp. 282-294. 75 cents.

"The concepts proposed are based upon the belief that the law needs to adopt a new medicolegal philosophy and procedure to govern the monetary evaluation of the damages suffered as the result of a personal injury."

MCCALL, JOHN OPPIE. "Methods of Payment for Dental Care." *Journal of the American Dental Association*, Chicago, Vol. 33, Aug. 1, 1946, pp. 998-1004. 50 cents.

The disadvantages of the fee-for-service system and the necessity of developing other methods of payment.

"Medical Care in the U. S. S. R." *International Labour Review*, Montreal, Vol. 53, Mar.-Apr. 1946, pp. 269-271. 50 cents.

Reviews the amount and kind of medical service provided by the State.

MILLIMAN, W. A. "Cash Sickness Benefits." *American Economic Security* (Chamber of Commerce of the U. S. A.), Washington, Vol. 3, June-July 1946, pp. 5-10. \$1 a year.

Maintains that the primary defect of a compulsory State disability insurance plan, such as Rhode Island's, is that the employer has no responsibility for administration and supervision.

"National Health Service Bill; Analysis of Results of Committee Stage of Proceedings." *British Medical Journal Supplement*, London, No. 4463, July 20, 1946, pp. 13-27. 1s. 6d.

NEW JERSEY. STATE COMMISSION ON POST-WAR ECONOMIC WELFARE. *Cash Sickness Benefits*. Trenton: The Commission, 1946. 68 pp.

Considers the need for medical care, the extent of existing provisions against sickness, and the relative advantages of public and private funds. Includes the text of the draft bills which embody the Commission's recommendations for the adoption of a publicly supervised program.

PLUMLEY, MARGARET L. "ABC's of Prepayment Plans." *Public Health Nursing*, New York, Vol. 38, Aug. 1946, pp. 411-416. 35 cents.

Defines and explains the terms used in discussing prepayment medical care plans.

"Providing Care for the Chronically Ill." *Pennsylvania Public Assist-*

ance Review, Harrisburg. First Quarter, 1946, pp. 1-10. Processed.

An account of the extent of chronic illness among the needy in Pennsylvania, the availability of institutional facilities, and the present provisions and future plans for caring for the chronically ill who are needy.

"Recent Developments in Rhode Island Cash Sickness Benefits." *Monthly Labor Review*, Washington, Vol. 63, July 1946, pp. 21-25. 30 cents.

Outline of amendments relative to contribution rate and eligibility for benefits.

U. S. CONGRESS. SENATE. COMMITTEE ON EDUCATION AND LABOR. SUBCOMMITTEE ON HEALTH AND EDUCATION. *Health Insurance; Interim Report* ... Washington: U. S. Govt. Print. Off., 1946. 30 pp. (79th Cong. 2d Sess., Senate Subcommittee Report No. 5.)

A survey of prepayment medical care plans from which the subcommittee concludes that such voluntary plans cannot adequately meet the Nation's health needs.

(Continued from page 8)

who would otherwise have claimed State unemployment insurance benefits were drawing veterans' readjustment allowances.

IN OLD-AGE AND SURVIVORS insurance, partly as a result of the usual mid-summer decline in new claims filed, fewer monthly benefits were awarded during July than in any month since December 1945, and the July increase in the number of accounts in current-payment status was the smallest since August 1945. Benefits at a monthly rate of \$28.8 million were in current-payment status at the end of the month for more than 1.5 million beneficiaries—increases of more than a third from the number and amount paid in July a year ago.

PUBLIC ASSISTANCE case loads and payments increased slightly in July under all four programs. The July increases in general assistance were the first since March. Disbursements under the four programs totaled \$95.8 million, as against \$81.4 million in July 1945.

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Washington, D. C.

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Publications of the Social Security Administration

Analytical Notes Prepared in the Analysis Division,
Bureau of Old-Age and Survivors Insurance

- No. 9 Family Benefit Tabulation
- No. 10 Taxable Wages and Employment Under Old-Age and Survivors Insurance, 1937-43
- No. 11 Age of Workers in Covered and Non-covered Employments
- No. 12 What Is Meant by a Mature Program?
- No. 13 A Method for Computing the Cost of Insurance Benefits for a Male Worker
- No. 14 Stability of Insured Status
- No. 15 Resources of Widows With Entitled Children
- No. 16 Comparative Equities of Various Groups Under Old-Age and Survivors Insurance
- No. 17 Recent Trends in Private Pension Plans
- No. 18 An Allocation of the Trust Fund Assets
- No. 19 Family Responsibilities and the Labor Force Status of Women
- No. 20 Regional Averages of Family Benefits Awarded, 1943
- No. 21 Seasonal Distribution of Deaths and Death Claims
- No. 22 Increasing Significance of Currently Insured Status
- No. 23 Subsequent Entitlements to Wife's and Widow's Benefits
- No. 24 A Study of the Recalculation of Benefits
- No. 25 Effect of Wartime Increases in Taxable Wages on the Average Monthly Wage of Older Workers
- No. 26 Women in Covered Employment
- No. 27 Yearly Patterns of Work in Covered Employment, 1937-43
- No. 28 Value of Life Insurance in Force on the Lives of Primary Beneficiaries and Their Spouses
- No. 29 Family Benefits in Force, December 31, 1944
- No. 30 Living Arrangements of Old-Age and Survivors Insurance Beneficiaries in St. Louis
- No. 31 Data on Effect of Removal of the Twice-the-Primary-Benefit Limitation
- No. 32 Withdrawal of Older Workers From Covered Employment in 1941 and Entitlement to Benefits
- No. 33 How Do the State Distributions of Benefit Payments Compare With Those of Tax Collections?
- No. 34 Death Rates Among Primary Beneficiaries
- No. 35 Living Arrangements of Old-Age and Survivors Insurance Beneficiaries in Middle-Sized and Large Cities
- No. 36 Allocation of the Trust Fund Assets, December 31, 1944
- No. 37 Monthly Benefits in Force as of June 30, 1945, for Residents of Ten Metropolitan Areas
- No. 38 Workers With \$3,000 or More in Wage Credits Under Old-Age and Survivors Insurance in 1943
- No. 39 Classification of Beneficiaries by Urban and Rural County of Residence

These processed notes on the operation of old-age and survivors insurance are available in limited quantities to research workers and interested organizations. Requests should be addressed to the Bureau of Old-Age and Survivors Insurance, Equitable Building, Baltimore 2, Md.
